A U.S. DEPARTMENT OF COMMERCE WEEKLY

International Commerce

November 18, 1968

NFTC

55th National Foreign Trade Convention

55th National Foreign Trade Convention

International Trade Winds

Company News

AIRPORT EQUIPMENT—Stanray Corp., Chicago, has announced that its French licensee, Carel Fouche Languepin, S.A., has received a $7.5 million contract from the French government airport authority for 89 passenger boarding bridges to connect flight terminals with new jet aircraft. Stanray's "Jetway" bridges will be installed at Paris's Orly and Nord terminals. Paris Nord, a newly-constructed airport, is scheduled to begin operations in 1971. Installations at Orly will begin next year.

CONTROL SYSTEMS—Powers Regulator Co., Skokie, Ill., has announced that Fletcher Mechanical Services, a division of Fletcher Construction Co., Ltd., Auckland, New Zealand, will act as distributor for Powers environmental control products in New Zealand and surrounding areas, including American Samoa, Western Samoa, Tonga, and the Fiji Islands. Powers products to be sold by Fletcher include pneumatic control systems, water mixing equipment, pneumatic dispatch systems, and electronic controls.

FINANCIAL SERVICES—Walter E. Heller & Co., Chicago, Ill., has opened its twelfth international subsidiary, a factoring company headquartered in Manila, Philippines. The new firm, Heller International Factoring Co. of the Philippines, has been established in association with Industrial Finance Corp., a major Philippine financial institution. Heller has a half interest in the newly-established company.

AIRCRAFT—Iberia, Spain's national airline, has purchased four DC-8 and three DC-9 jets from McDonnell-Douglas Corp., St. Louis, Mo., and three 747 jets from Boeing Aircraft, Seattle, Wash., with delivery scheduled for 1968-71. The total cost of these transactions was $138.5 million, 80% of which is being financed.

BANKING—The Bank of America, San Francisco, has opened a new branch in Dublin, Ireland, the bank's first in that country and its 16th in Europe. A second recent opening was the new Bank of America branch office in Madras, India, the bank's third Indian branch and its 29th in Asia.

Newsletter

Some reports are now in on the 15 Industry-organized Government-approved trade missions that went overseas this past spring. They show immediate sales of more than $5 million and an additional $15 million expected over the next year. Nearly 100 agent/distributor agreements are expected to result from the visits; 35 of these are already set up and 60 more are being negotiated. The list includes such notable successes as the Pennsylvania State Trade Mission to the Far East and the Pan-American Multi-Mission to Australia and New Zealand.

Actually, results from Trade Missions continue on and on. For example, the U.S. Consulate General in Sao Paulo, Brazil, has recent news—18 months later—of four joint venture agreements set up as a result of the U.S. Trade Mission to Brazil in April, 1967, and of three others still being negotiated.

So new, and so big. When Mack Trucks came to the U.S. Exhibition at the Japan National Plant Engineering and Maintenance Equipment in Tokyo last month, it brought along a 30-ton dump truck. One of these trucks was sold at the show and good sales prospects for several more were located. An indication of the great size of the vehicle is that at present there is no driver's license issued in Japan that will cover this type of equipment.

Shur-Trace came...Volkswagen saw...Louis Simon conquered. An automatic duplicating and profiling machine built by Simco Pattern, Inc. was displayed at the recent Frankfurt U.S. Trade Center advanced metalworking equipment exhibition. It attracted the interest of Volkswagen. So the Shur-Trace was taken to the auto factory for an in-plant demonstration to company engineers, and Simco president Louis Simon concluded its sale there. Now other European Auto manufacturing firms are interested in the machine.

The right time for the right show. The Automotive Diagnostic and Service Equipment Exhibition last month at the London U.S. Trade Center was scheduled to coincide with the British Motor Show. A large number of foreign businessmen visiting Britain for the Motor Show also came to the Trade Center. As a result, several U.S. exhibitors are now negotiating for European continental agencies. Twenty prospective British agents are talking terms with the 10 U.S. Trade Center exhibitors seeking agency agreements.

NOTICE: This information is offered to preview or provide informally brief and varied comment on Bureau of International Commerce worldwide export and investment promotions. It is not final and does not substitute for detailed know-how and analysis in our regular news columns.

U.S. Department of Commerce

C. R. Smith
Secretary

Lawrence C. McQuade
Assistant Secretary for Domestic and International Business

Lawrence A. Fox
Director, Bureau of International Commerce

Clarence M. Zens
Managing Editor

America A. W. Favale
Director of Graphics

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the cover

With realism as the keynote of the 55th National Foreign Trade Convention meeting this week in New York, convention official Robert M. Norris has supplied a special assessment for INTERNATIONAL COMMERCE readers, describing why he believes participants in this year's meeting can attain such a note. Story is on page 6.

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JANUARY-SEPTEMBER '68

U.S. merchandise trade expands at brisk pace

Export gains are eclipsed by steep rise in imports; surplus contracts sharply

Stimulated by buoyant markets abroad and vigorous domestic demand, U.S. trade moved at an accelerated pace in both directions in the first nine months of this year.

Exports, excluding military grant-aid, advanced to a seasonally adjusted annual rate of $33.8 billion in January-September. This 9.2% increase over the 1967 total was substantially more expansive than the 5.3% gain recorded last year. Imports, however, have climbed much faster than shipments so far this year. At a $32.7 billion annual rate, arrivals of foreign goods surpassed last year's total by 22%. Not since 1951—when the U.S. gross national product grew by an exceptional 15% under the stimulus of the Korean war—have imports advanced so rapidly.

As a result of the unusually sharp rise in imports, the gross merchandise trade balance plummeted to a $1.1 billion annual rate in the first nine months. This compares to a surplus of $4.1 billion last year and an average of $5 billion in the 1960-67 period.

Influenced by dock strikes

The quarterly trend in exports has been affected by actual or potential dockstrikes this year. If adjustments for the New York Port walkout last March were made in recorded data, the first quarter's total would have been increased by an estimated $150 million more than they actually were and the second quarter advance would have been only marginal. Exports in the third quarter made their strongest advance in three years, but this was due in part to accelerated loadings in anticipation of the longshoremen's strike of East and Gulf Coast ports on Oct. 1 which was halted for 80 days by an injunction under the Taft-Hartley law.

Imports have also been influenced by labor disputes on the docks, but the estimated shifts which resulted did not appear to distort the underlying trend. Following a huge increase in the first quarter, also the sharpest gain in three years, receipts slowed in the June quarter and decelerated even further in the following three months.

Through September, exports of nonagricultural products were running 11% ahead of last year on a seasonally adjusted basis. This increase—the largest since 1964—accounted for all of the U.S. export gain in the first nine months of 1968. Following a sluggish performance during most of 1967, shipments began to move upward in the first quarter and expanded strongly in the second and third quarters.

More than two-fifths of the gain in nonagricultural exports over the comparable period of 1967 resulted from increased shipments of transport equipment. The value of these exports in the first nine months stood at $4 billion, 29% above last year. This strong advance featured a rapid expansion in sales of aircraft and parts which surged to nearly $1.7 billion, a level already greater than the 1967 total (data for individual commodities are not seasonally adjusted). Increased sales of civilian aircraft provided most of the rise. Exports of aircraft parts and accessories were also expansive, rising by a fourth, while deliveries of military planes climbed by a tenth.

Also contributing significantly to the fast rise in exports of transport equipment were greater shipments of automobiles and parts to Canada. New car deliveries to that country, although slowing from the 1967 pace, climbed by 31%. Shipments of parts and accessories increased by more than one-third, a sharp acceleration over last year's rate of growth and the most rapid gain since the duty-free auto agreement came into effect in 1965.

A 6% increase in machinery exports through September was somewhat slower than that registered last year due to less buoyant demand in Western Europe and a decline in shipments to Canada. A large drop in shipments of agricultural machinery and tractors mainly reflected lower deliveries to Canada where reduced farm exports and a large carryover of wheat had a depressing effect on new investment.

Declines were also recorded in sales of metal-cutting machine tools, excavating and paving machinery, materials handling equipment, and electrical generators. Advancing at a slower rate than last year were exports of aircraft engines and parts, electronic computers, radio and television apparatus, and electric measuring and controlling devices. In contrast, deliveries of mining and drilling machinery, cooling equipment, and electronic components all picked up strongly.

Machinery orders on uptrend

Following a sharp upturn in the final months of 1967, export orders for machinery received by U.S. manufacturers continued to show good gains this year. Through August, these orders increased by 9% over the comparable 1967 period. In all of last year, a gain of 7% was recorded. The monthly ratio of unfilled orders to sales dropped to 3.6 in August, the lowest backlog in the six years for which data have been reported.

Rapid expansion in chemicals

Led by sharply higher shipments to the countries of the European Economic Community and Latin America, exports of chemicals spurted by a fifth to nearly $2.5 billion through September. Buoyant

Nonfarm commodities account for export gain

Commodity	Jan.-Sept. '68 *Millions of dollars*	Change from Jan.-Sept.'67
Total	25,334	+1,962
Nonagricultural	20,732	+2,030
Machinery	6,607	+ 379
Transport equipment	3,953	+ 891
Chemicals	2,490	+ 394
Other nonagricultural	7,682	+ 366
Agricultural	4,602	— 68

Note: Data include reexports and military grant-aid.

foreign demand for organic chemicals and plastic materials caused shipments of these products to rise strongly, while smaller but significant gains were registered in exports of inorganic chemicals and xylenes. Stepped-up deliveries to the American Republics and Southeast Asia under government-financed programs resulted in a one-fourth increase in manufactured fertilizer exports.

Other exports surge

Exports of logs continued to soar, climbing by one-half through September. As last year, increased shipments of softwood logs to Japan accounted for the expansion. Most of the $78 million increase in exports of copper ores and scrap was recorded early in the year when U.S. smelters and refineries were closed down by a long strike. After the work stoppage ended last March, shipments of copper metal recovered sharply, posting an increase of 6% for the nine months. Over half of the January-September total was shipped out in the third quarter.

Exports of coal, which have changed little in value in recent years, were $27 million higher through September than in the same period of 1967 due to expanded shipments to Japan. That gain more than offset a decline in loadings for Western Europe.

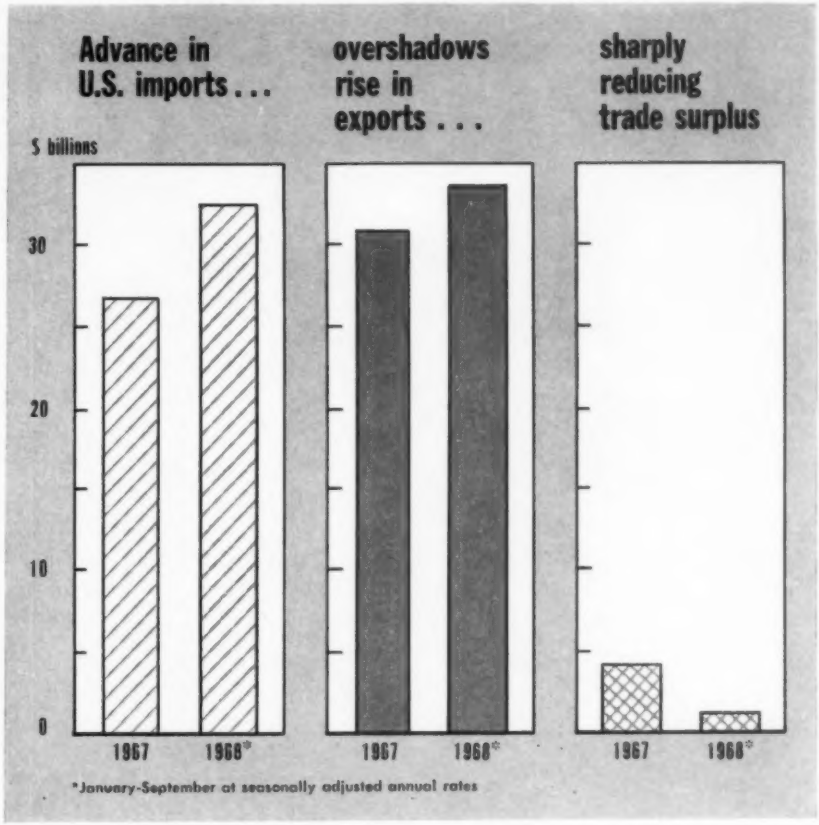
Exports of iron and steel-mill products surged in the third quarter after the strike settlement, bringing the nine-month value to $402 million. This total was still below last year's figure at this time. Our sales of iron and steel scrap dropped by $56 million, mainly because of a slowing in the rate of expansion in Japanese steel production.

Exports of paper and manufactures advanced nearly three times as rapidly as last year, with over half the gain from larger deliveries of kraft paper and paperboard. Other products posting accelerated export gains this year included photographic supplies, particularly film, and tape recorders and phonographs.

Farm products sluggish

At a seasonally adjusted annual rate of $6.5 billion through September, exports of agricultural commodities showed little change from last year. Deliveries of wheat were 7% lower in January-September due to a sharp fall-off in PL-480 shipments to Pakistan and India in the third quarter. Sales to the United Kingdom were also reduced considerably.

Exports of rice gained by 14%, reflecting greater shipments to Korea, Indonesia, and Near East countries. Heavy foreign demand for feed grains and attractive U.S. prices were responsible for a strong recovery in corn exports, with sales to the EEC and Japan especially buoyant. A 7% gain in shipments of cotton was the result of significantly higher deliveries to Hong Kong, Taiwan, and the Philippines. Tobacco sales rose a tenth due mainly to increased demand in the United Kingdom and the Scandinavian countries.



Export price rise marginal

In the first nine months, U.S. export prices, as measured by the unit value index, increased only marginally over the average level for last year. This slowdown followed price advances of about 3% in each of the two preceding years. Prices for finished manufactures continued to rise, but not as rapidly as in 1966 and 1967. Those increases were tempered by lower prices for exported semimanufactures, crude materials, and foods.

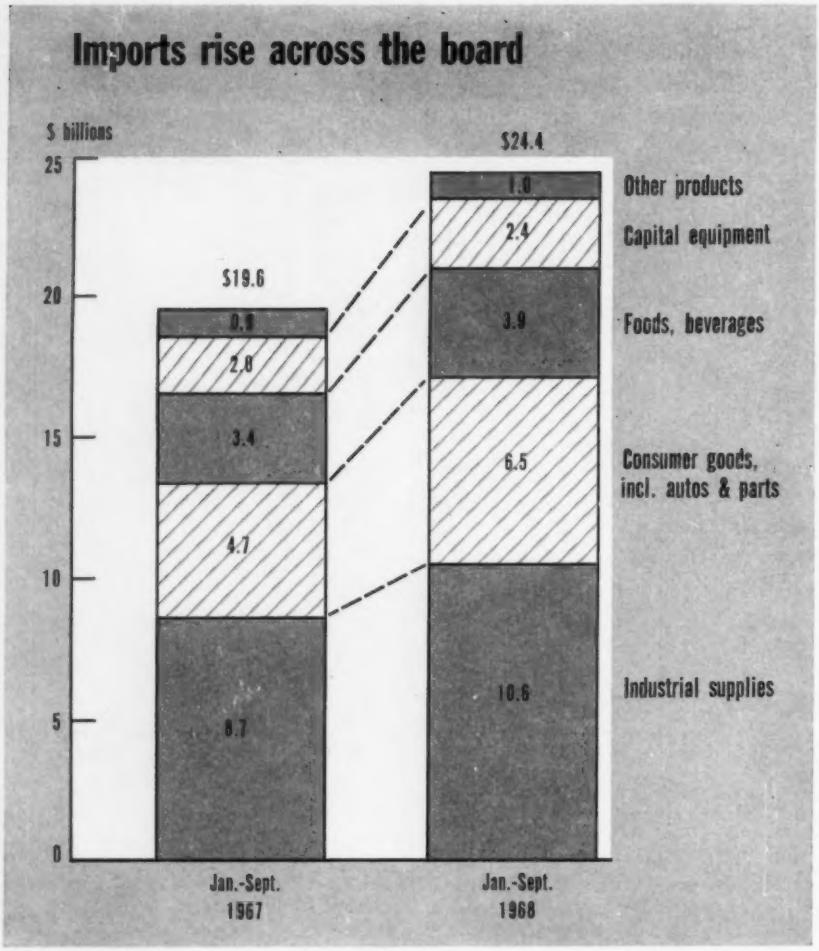
Imports increase sharply

The rapid advance in imports thus far in 1968 has stemmed largely from the expansive pace of domestic business activity and from strike-related developments. The sharp climb boosted the ratio of imports to gross national product to 3.8%, a sizable increase over the 3.4% ratio recorded for both 1966 and 1967.

Higher levels of industrial production and strike-related purchases of copper and steel boosted receipts of industrial materials to $10.5 billion in the first nine months. The $1.8 billion increase over the same period of 1967 accounted for more than 40% of the total import advance. Following exceptional increases in materials imports in the December 1967 and March 1968 quarters, arrivals have since declined, in large part because of the return of copper imports to more normal levels.

Spurred by strike-hedge buying, imports of iron and steel-mill products soared to $1.5 billion through September. That value was almost $200 million higher than imports for the full year 1967. Receipts climbed to a record level in the third quarter as steel orders placed in anticipation of an Aug. 1 strike continued to be delivered from abroad. Arrivals of iron ore rebounded with an 8% gain because domestic steel mills stepped up their output to meet heavy stockpiling orders.

After a strike-affected surge in the first quarter, imports of refined copper and mill shapes dropped to more normal levels. In the first nine months, however,



receipts of these products were more than double their value at the same time a year ago. Despite a strong upturn in the months following the settlement of the copper strike, imports of ores and unrefined copper showed a decline from last year.

Stimulated by strike-hedge buying and by broadly based and expanding demand this year, purchases of aluminum recovered from their decline in 1967 with a steep one-half gain. Higher prices accounted for the entire 5% advance in the value of nickel entries. Less buoyant requirements for stainless steel and larger domestic supplies of stainless scrap caused a moderate downturn in the quantities of nickel imported.

Receipts of crude petroleum rose by 8% to $875 million through September as a result of a sizable jump in receipts during the summer months to fill expiring carryover quotas. Arrivals of fuel oil, jet fuel, and natural gas also expanded over last year.

Larger requirements generated by the more vigorous pace of domestic chemical production this year sparked a sizable acceleration in purchases of industrial and agricultural chemicals. The bulk of the 17% increase through September reflected larger purchases of colors and dyes, potassium chloride, and elements and compounds, especially coal tar intermediates and alumina.

Also contributing to the rapid expansion in receipts of industrial supplies thus far were substantial recoveries from reduced 1967 levels in purchases of lumber, wool, and woodpulp. On the other hand, larger domestic supplies caused a further decline in newsprint imports from Canada.

Consumer imports accelerate

The rapid pace of consumer spending so far in 1968 has stimulated a one-third rise in purchases of foreign consumer goods (excluding Canadian cars), nearly five times the growth rate recorded last year. Imports advanced in all three quarters, but the July-September expansion was the largest this year, and, in fact, the largest in any quarter since the strike-affected second quarter of 1965. In the nine-month period, imports rose to $5.1 billion. As a result, consumer goods imports other than Canadian cars comprised 4% of personal consumption expenditures for goods in January-September, up from 3.3% in all of 1967.

Accelerated deliveries here of new autos contributed much to the rapid expansion in consumer imports. The inflow of foreign-brand autos boomed upward by 70%, past the $1 billion level in January-September. Entries from West Germany contributed nearly two-thirds of the gain. Reflecting the stepped-up import pace, the share of foreign cars rose from 9.3% of total U.S. registrations in 1967 to 9.9% in the first eight months.

The demand for most other types of foreign consumer products has also accelerated sharply this year. The strong appeal of imported footwear, at competitive prices, boosted purchases by one-half from their comparable value a year ago. Larger markets here for leather shoes from Italy and vinyl and rubber footwear from Japan added most to the sharp gain.

Purchases of clothing continued on their long uptrend with a 31% gain, largely from greater receipts of wearing apparel manufactured in several Southeast Asian countries and Western Europe. Imports of TV sets, almost entirely from Japan and Taiwan, and transistor radios from those countries and Hong Kong expanded by one-half for a combined increase of $100 million.

Deliveries of passenger cars from U.S. subsidiaries in Canada registered another strong increase, but the rate of growth was substantially slower than in 1967. On the other hand, arrivals from these plants of automotive parts and accessories rose at an accelerated pace this year. In total, these imports reached $1.4 billion in the first nine months, up from $0.9 billion in the same period of 1967.

Capital imports expansive

Imports of capital equipment advanced to $2.4 billion in January-September, 18% above the corresponding total a year ago. The addition represented a slight acceleration from the increase posted in 1967, primarily as a result of a sizable advance in receipts of aircraft which more than offset slower gains in purchases of machinery and trucks.

Arrivals of machinery rose by 15% to a $2 billion total through September. The slight deceleration from last year stemmed

primarily from a decline in receipts of farm machinery, mainly from Canada, and a weaker market here for machine tools. Although purchases of typewriters quickened, imports of other types of conventional office machinery were less expansive. In contrast, more rapid gains were recorded in arrivals of textile machinery and electrical power equipment. Also adding to the overall advance were substantial upturns in receipts of aircraft engines, electronic components, and telecommunications apparatus.

Purchases of civilian aircraft rebounded sharply after a three-fifths drop last year. The upturn reflected larger purchases of commercial turboprop transports from Japan and small twin-engine aircraft and rebuilt planes from Canada and the United Kingdom. The inflow of trucks, buses, and chassis slowed to a 38% increase, largely because of a marked deceleration in receipts of trucks from Canada.

Food imports gain sharply

Purchases of foods and beverages advanced strongly again in the third quarter, rising to $4 billion for the first nine months. This value was one-sixth above the level at this time last year and represented a sharp acceleration from the modest, 2% gain posted in 1967.

Buoyant demand and favorable U.S. prices spurred meat purchases to an 18% increase. The bulk of the gain consisted of larger entries of fresh boneless beef, canned hams, and corned beef. Larger foreign quotas boosted sugar imports by 8% in value, but a big part of the increase reflected higher prices. Arrivals of whisky, which registered a sharp one-third gain, advanced primarily because of stock building at bonded warehouses in anticipation of a possible dock strike.

Larger quotas and the replenishing of reduced inventories advanced coffee imports by 22%. Stronger demand for lobster tails, fresh tuna, frozen cod, and scallops accounted for most of the one-fifth climb in fish imports. Purchases of fruits and nuts also staged a significant upturn in the first nine months.

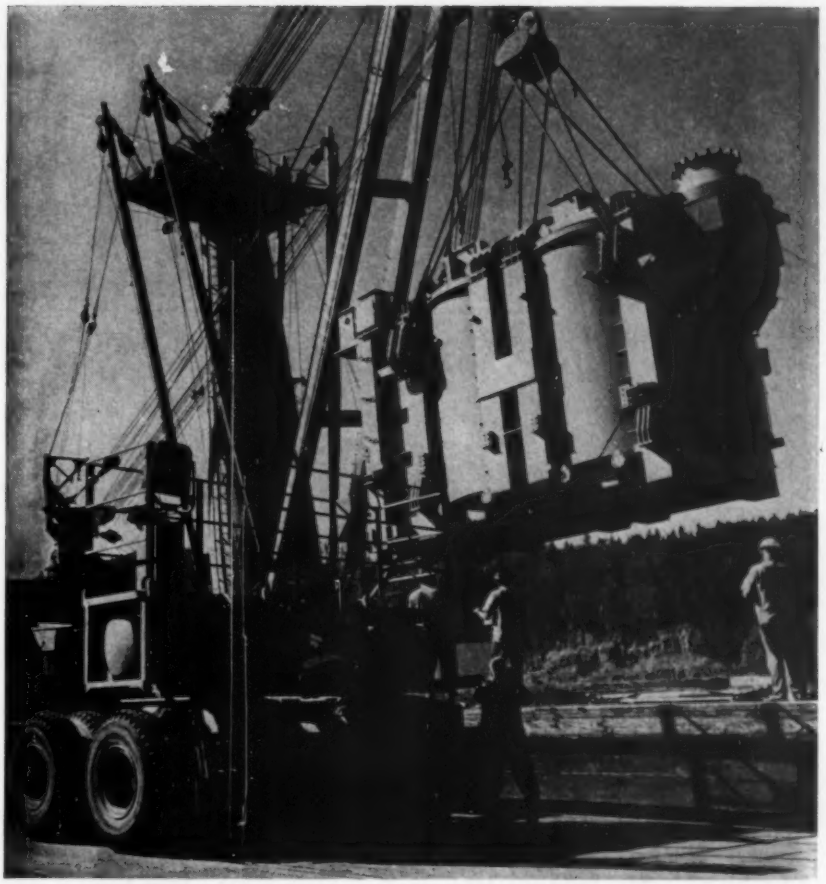
So far this year import prices have averaged 1% higher than in 1967. Prices advanced for all major groups except crude materials; the largest increase was for semimanufactures. Those prices rose by 1.8% from 1967, largely as a result of higher quotations for lumber and copper. In contrast to a sizable increase last year, prices for finished goods advanced only marginally through September.

Area trade pace mixed

More than two-thirds of the total export advance from January-September 1967 was accounted for by a 9% rise in sales to industrialized markets. Sales to Western Europe moved at a faster pace than last year while deliveries to Canada continued to increase at their 1967 rate. Some slowing was noted in exports to Japan. After a modest downturn in the preceding year, shipments to the developing countries recovered with an 8% increase primarily as a result of improved markets in Latin America, Africa, and the Near East.

The 27% advance in purchases from the developed countries represented four-fifths of the $4.7 billion import expansion from January-September a year ago. Arrivals from Western Europe, Canada, and Japan were especially expansive. Imports from the developing countries rebounded strongly with a 15% advance. Most of the increase reflected a recovery in arrivals from Latin America and a faster inflow of goods from East and South Asian countries.

This article and accompanying tables and charts, focusing on U.S. trade in the first nine months of 1968, were prepared by the International Trade Analysis Division of the Commerce Department's Bureau of International Commerce.



CAPITAL EQUIPMENT IMPORTS advanced in the first nine months of this year. Above, at deepwater port on lower Columbia River, a giant transformer from Japan is unloaded for delivery in the U.S. Port Westward, Ore., is being developed by Westward Properties, Inc., subsidiary of Kaiser Aluminum.

Automobiles and metals lead import advance

Commodity	Increase Jan.-Sept. '68 over Jan.-Sept. '67	
	$ million	%
Total	4,773	24
New autos and parts	1,029	64
Other consumer goods	818	27
Iron and steel	543	59
Nonferrous metals	479	43
Other industrial supplies	865	13
Capital equipment incl. trucks	372	18
Foods and beverages	573	17

INTERNATIONAL FINANCE DISCUSSIONS at this week's National Foreign Trade Convention were planned by this group. Robert M. Norris and Melville H. Walker of the sponsoring National Foreign Trade Council are at left and right, respectively. Others, from left, are B. Jenkins Middleton, Eximbank; Lewis G. Ensinger, Marine Midland Grace Trust; James W. Bergford, Chase Manhattan, and Merle R. Crockard, Bank of the Southwest N.A., Houston, president of Bankers' Assn. for Foreign Trade.

Participants' broad range, practical experience insure NFTC meeting's realistic approach, Norris says

Council official also emphasizes integrated nature of problems in world trade, need to examine various aspects jointly

Bring together representatives of the full range and diversity of U.S. international commercial interests, draw from them practical judgments that come from long personal experience, and the result is bound to be a series of assessments of current world trade problems and challenges that are solidly realistic.

This is what is in store for 2,000 members of the U.S. world business community who will gather at the Waldorf-Astoria Hotel in New York this week at the 55th National Foreign Trade Convention, in the view of Robert M. Norris.

Norris, president of the sponsoring National Foreign Trade Council, presented the following 1968 convention perspective at the request of INTERNATIONAL COMMERCE magazine:

"One of the most important characteristics of these meetings, which will be dealing with all facets of international business, is that they bring together the broadest possible spectrum of our finest investment and trading interests from all parts of the United States. The participants at the convention speak for highly diversified business. They include manufacturers, banks, exporters and importers, and members of the shipping, airlines, insurance, communications, publishing, advertising, engineering and construction industries. Consequently, there is an input in the convention's analyses of our trade and investment policies and programs which combine this diversity of interests with the practical operating experience of executives who are completely oriented to internationalism in business.

"The emphasis of the 55th Convention is on realism. This means continuing with policies and programs which have proved sound for the development for world trade and investment. It means open constructive criticism and the requirement of corrective steps with regard to those policies and programs which are unsound and deficient.

"For this reason the input of both the seasoned, experienced business executives and the seasoned, experienced representatives from Government who are attending this convention is of high importance. I am sure they will attach importance to the Council's established policy that with respect to policy and program development, the one prime moving need is to take into account the totality of interrelated factors. We must avoid approaching this path in segmented ways. We cannot afford to compartmentalize our thinking. Rather, there must be a complete analysis of all aspects of our policy and programs.

"For example, you cannot look at trade and investment alone; nor can we overlook the need to take measures to be derived from an overall integration and consistency of monetary, fiscal, taxation, export financing, trade promotion and investment policies. Also inherent in the requirement to correct our balance-of-payments is the need to restrain or offset inflationary pressures, from whatever sources, and to preserve the cost-price level in the United States compared with other countries, which will enable the products and services of our industries to compete in world markets."

Program subjects

The Nov. 18-20 sessions will deal with such areas as international finance and monetary matters, impact of foreign direct investments, the interrelationship between investment and trade, current U.S. foreign trade outlook in major world markets, trends in international labor-management relations, and international tax policies (program story was in Oct. 21 INTERNATIONAL COMMERCE, p. 6).

Four U.S. Foreign Service Officers recently back from assignments abroad will be available for consultations.

They are Robert L. Brown, Economic Officer, American Embassy, Taipei; George Falk, Assistant Commercial Attache, American Embassy, Madrid; Ray H. Crane, Commercial Officer, American Embassy, Mexico City, and Malcolm Lawrence, Commercial Attache, American Embassy, Bern. Lawrence, now with Commerce Department's Office of International Trade Promotion, will handle inquiries on the new Joint Export Association program.

Harold F. Linder, American Ambassador to Canada, will become the 31st recipient of the Captain Robert Dollar Memorial Award at the World Trade Dinner that concludes the meeting.

The award recognizes Linder's contributions to U.S. trade as 1961-'68 Eximbank head.

INAUGURAL EXHIBITION at the Miami International Merchandise Mart last month was organized by Southern Apparel Exhibitors. Above, visiting buyers view latest fashions in wholesale exhibition suite.

International Mart in Miami aiming at Hemisphere's buyers

Commerce Field Office helps furnish Latin American mailing list

Organizers at the Miami International Merchandise Mart, Inc. (MIMMI) are working closely with the Commerce Department Field Office in Miami to assure the success of the Mart's second major exhibition, scheduled for Jan. 6-9, 1969. They have mailed 2,500 letters in Spanish to firms all over Latin America, chosen from Commerce Department trade lists and other sources.

The January show will feature 1,500 different lines of giftware, crystalware and chinaware. The Mart opened in October with Southern Apparel Exhibitors show.

The $10 million Mart is designed as a showcase for both buyers and sellers. Its Miami location was chosen so that it would be easily accessible to visitors from Mexico, Central and South America, and the Caribbean, as well as from the United States. The Mart will furnish Spanish and Portuguese translators.

The Mart display areas comprise four sections: the transient area for trade shows and conventions, the china and glassware displays, the permanent exhibitors (approximately 80% in the apparel field), and a special designer fashions display section. MIMMI's Hall of Fashion can seat up to 640 people.

The Mart complex will include a 200-room motel, ultimately to contain 1,000 rooms, a service station, 100,000 square feet of showroom space in a decorative arts center, a furniture mart with 300,000 square feet for exhibit and display, a service building and a bank.

Planners in Miami have predicted that 10,000 jobs will be created in South Florida by MIMMI. One half million people are expected to visit the Mart each year resulting, it is foreseen, in jobs for people who house, feed, taxi and entertain them during their stays.

Another predicted benefit is the number of manufacturing firms that will exhibit at MIMMI, open a local office, then a local warehouse, and hopefully a local manufacturing plant. The Mart has already created jobs for professionals ranging from fashion models to landscape gardeners.

Thirteen local companies are setting up service-type shops inside the Mart, including a beauty shop, barber shop, travel agency, package liquor store, talent agency, laundry, tobacco shop, restaurant, photography shop and real estate office.

BCIU to expand program linking executives, officials

Program has brought 5,000 consultations with key leaders

The Business Council for International Understanding will expand its Industry Consultation Program bringing together executives with significant interests in a given country and the U.S. ambassador to that country or a statesman from it who is visiting the United States.

John Habberton, executive director of BCIU, said that the "program is so mutually valuable that we are looking forward to arranging more and more of these consultations for companies with headquarters in other cities in addition to New York."

The Industry Consultation Program has served as a catalyst in arranging meetings of U.S. diplomats and foreign statesmen with business executives on over five thousand occasions, in individual and small group meetings for informal discussion of business concerns, needs and opportunities, as related to government practices and policies.

In addition to these consultations, BCIU offers courses designed to overcome other problems of international business at all levels.

It has found that executives are often poorly prepared to cope with complex relationships abroad with government, business, suppliers and markets because of differences in cultural background. BCIU's multi-company seminars are conducted five times a year to help resolve this problem.

Tailored and kept responsive to business needs, the program draws on the pooled talents and research of experts and professionals from universities, governments, international organizations and business itself. The courses, as well as separate language study, are programmed for five separate categories of executives and their wives.

BCIU is a non-profit council supported entirely by its sixty-five member companies, and reaching others through its various activities. Its chairman is A. N. McFarlane of Corn Products Co.

Dr. Richard Butwell was recently named director of the BCIU-American University Program in Washington, D.C. He replaces the retiring Dr. Harold M. Randall.

Investment rules modified for firms

The Foreign Direct Investment Regulations have been revised to allow American businesses more flexibility in managing their foreign enterprises, the Office of Foreign Direct Investments, U.S. Department of Commerce has announced.

Director Charles E. Fiero said that the new amendments, published in the *Federal Register* Nov. 9, would be particularly significant for U.S. companies with subsidiaries in Continental Western Europe, and for companies with good prospects for growth in foreign earnings, but limited investment quotas under present rules.

"One of the amendments modifies the 'dividends only' provision," Fiero said. "Heretofore, U.S. companies with affiliates in Continental Western Europe have had no alternative but to effect dividend payments from such affiliates as the only means of complying with the restrictions on retained earnings. Now, U.S. companies will be able to substitute other forms of capital flows to the United States for dividends, including repayment of intercompany indebtedness."

Fiero added that a number of companies had requested this additional flexibility because of "tax and other complications."

Another amendment establishes a basis for expansion of existing investment quotas. Commencing in 1970, it provides for a new "incremental earnings" quota based upon the worldwide growth in earnings of foreign affiliates.

Fiero said that "While the incremental earnings quota will not be available until 1970, it has immediate importance to companies which must plan their investment program several years ahead, as well as to others negotiating repayment terms in connection with foreign borrowing. The incremental earnings concept has been developed and tested over a period of several months and is specifically designed to enable companies with good growth prospects but modest existing investment quotas to proceed with expansion plans."

In another action, Secretary of Commerce C. R. Smith has announced that the three-member Foreign Direct Investment Appeals Board will now be appointed as individuals rather than due to the offices they hold.

In further clarifying the grounds for appeals of investment decisions, Secretary Smith said they may be based on contentions that the decision resulted in hardship and was inconsistent with U.S. objectives.

RANSBURG 'E' AWARD was presented at ceremony attended by (left to right): Harold L. Shuman, executive vice president, Indiana Mfrs. Assn.; Richard G. Lugar, Mayor of Indianapolis and member of Chicago REEC; Harold P. Ransburg, board chairman; Anthony J. Buchar, Commerce Field Office director, who presented 'E'; J. Robert Cutter, director, Intl. Trade Division, Indiana Dept. of Commerce.

Paint-spraying equipment, breeding poultry earn Presidential 'E's for Indiana, New Hampshire firms

Use of licensing agreements, franchises, joint ventures helped to expand overseas markets for specialty products

An Indiana paint industry equipment manufacturer and a New Hampshire poultry breeding and research outfit are the latest recipients of Presidential 'E' awards for export increase.

Just two years ago Ransburg Electro-Coating Corp. of Indianapolis, maker of electro-static paint spraying equipment, derived most of its foreign income from licensing agreements. Since then, through use of European sales depots, carefully selected and trained distributors, multilingual manuals and re-engineering products to meet local safety regulations, the firm has managed to nearly triple exports.

Prior to 1966 Ransburg income from overseas came mainly from a licensing arrangement in Western Europe with a British company. The licensee distributed only British-made equipment, and Ransburg exported virtually no U.S.-made equipment.

In 1966, Ransburg cancelled this exclusive license and established two sales organizations, Ransburg G.m.b.H. near Frankfurt, and Ransburg S.A. near Paris. This placed Ransburg in a position to apply new marketing methods, improve customer contact and service, and decrease delivery time to meet European competition. The French and German organizations maintain complete stocks of standard equipment and spare parts.

Ransburg selects distributors carefully, relying on advice from customers in each area. In the developing countries Ransburg establishes a network of independent distributors and representatives.

After being appointed, each new distributor either sends his key personnel to Indianapolis for factory sales and service training, or arranges for their local training. Distributors are expected to provide assistance in routine service problems.

Each shipment overseas includes an assortment of repair and replacement parts and information on operation and servicing. A multilingual service representative from Indianapolis goes overseas in conjunction with each major equipment sale to assist the customer in installing the equipment, making initial production runs, and training personnel to operate and service the equipment.

Overcoming import barriers

Ransburg has overcome import barriers of a technical and safety regulatory nature in many Western European countries by re-engineering products to satisfy local regulations.

Ransburg's sales literature has been translated into French, German, Spanish, Italian, Danish, Japanese, Russian and Swedish. The European sales operations employ multilingual personnel, and personnel of the international department in Indianapolis have capability in a total of 12 languages.

Hubbard Farms, Inc., of Walpole, N.H., has increased exports of its breeding poultry to nearly one third of total sales through use of franchise and joint venture agreements and establishment of subsidiary operations abroad.

To explore potential markets, Hubbard sends executives abroad to meet with poultry industry organization officials. These company officials select the organizations they judge to be most appropriate to become distributors for specific market territories under exclusive franchise agreements.

Joint ventures in Belgium

The company has been willing to develop varying methods to deal with various countries. In Belgium, Hubbard formed a joint venture with Belgian nationals. In the Netherlands, a production base was developed by lease agreements with an existing farm. Recently Hubbard purchased land for a poultry farm and an existing factory near Novara, Italy.

To meet French import provisions and veterinary requirements Hubbard established a quarantine farm as well as a new hatchery, from which breeding stock is distributed to hatcheries throughout France.

Hubbard has franchise agreements with distributors in: Spain, Portugal, Greece, Lebanon, Mexico, Colombia, Peru, Chile, Brazil, and Central America, and agreements are being developed in Japan, the Philippines, Thailand and Taiwan.

Hubbard Farms carries on a genetic improvement program in poultry breeding. Exports to some foreign countries take the form of hatching eggs, or sometimes day-old baby chicks. The company uses jet aircraft to speed deliveries.

Hubbard has combined efficient technical management, careful quality control and extensive market research and promotion efforts to increase its exports.

HUBBARD FARMS has franchise agreement with distributor in Barcelona who covers markets in Spain (below) and Portugal. Other agreements are in effect in Greece, Lebanon, and Latin America.

Export seminars aid commercial officers of developing nations

December Copenhagen seminar will focus on trade promotion

Europe-based commercial officers, trade commissions and trade body representatives of developing countries are participating in export development seminars being conducted by the International Trade Centre of the United Nations Conference on Trade and Development (UNCTAD) and the General Agreement on Tariffs and Trade (GATT).

The next seminar, to be held in Copenhagen Dec. 2-12, is the third of a series and will focus on three key aspects of export promotion—marketing research, export publicity and trade development. The first, held in Zagreb, Yugoslavia, was concluded Nov. 6, and the second is now in session at the center in Geneva.

The Danish Board of Technical Cooperation with Developing Countries, a co-host, will hold the seminar at its Course Centre. The teaching staff will include specialists from the International Trade Centre, Danish Government officials and businessmen. Visits to Danish marketing organizations and merchant houses will supplement the regular program of lectures and group discussions.

A maximum of 30 officials will attend the seminar; all expenses incurred by the participants are being met by the Danish Board.

Trade Centre services

The course is part of the International Trade Centre's program to help developing countries to expand their export trade. The center also maintains a market information service and an overseas trade promotion counselling service for those countries seeking advice from international sources on their export problems.

The seminar now being held in Geneva is concerned with commodity trading and includes international trade regulations, financing of commodity trading, and market development.

The Zagreb seminar provided an introductory look at the basic principles of successful export development and marketing. Government officials from 17 developing countries attended this first session.

EXHIBITION BRIEFS *WORLDWIDE*

INTERNATIONAL PLASTICS FAIR, OSLO, NORWAY, Sept. 5-15. 155 exhibitors, from Norway and nine other countries. Two direct American exhibitors, through European subsidiaries, and two others showing products through local agents. Visitors totaled 32,000, with over half estimated as being in the plastics business. Last edition of the fair, an unscheduled event, was in 1960, with date for next exhibition not set yet.

INTERNATIONAL BOOK FAIR, FRANKFURT, GERMANY, Sept. 19-24. 3,013 exhibitors from 58 countries, up by 142 exhibitors and 10 countries since 1967 show. For third consecutive year, United States led foreign publisher groups with 325 exhibitors. Over 180,000 titles shown, up by 15,000 from the previous year. Attendance down from 170,000 in 1967 to 116,000 this year, mainly due to student demonstrations during the show. Recommended as an ideal introduction for U.S. publishers to the European market. Next Fair, Oct. 8-13, 1969.

INTERNATIONAL EXHIBITION OF OFFICE MACHINES AND EQUIPMENT—SMAU, MILAN, ITALY, Sept. 21-29. Show theme included all types of machines, equipment, and supplies for office use. Three U.S. exhibits of special note: 3M's color copier, having its world premiere at show; Burroughs' electronic accounting system; and Rank-Xerox copier for computer printouts. Attendance 38,000, up by 10,000 from 1967. U.S. commercial officers call show a good stage for exposure to Italian market. Next SMAU, Sept. 20-28, 1969.

INTERNATIONAL ELECTRONIC PROCESSING AND PACKAGING EXHIBITION "INTERNEPCON," BRIGHTON, ENGLAND, Oct. 8-10. 160 exhibitors, showing products of 170 firms, including exhibits from seven countries outside the U.K. 30 direct U.S. exhibitors, with another 15 represented by U.K. subsidiaries, five by joint ventures, and one each by subsidiaries in Belgium and Switzerland. Attendance over 8,000. U.S. co-sponsors of event considered results so good that next year's edition will be held in Brighton again, not Amsterdam, as previously planned. 53 exhibitors already signed up for 1969. Date for next show, Oct. 14-16, 1969.

Exhibit to show U.S. paper industry supplies at Bangkok Trade Center

Thai economic growth boosts prospects for sales of converting, printing equipment, box forming and bookbinding machinery

An increasing business tempo throughout Thailand, rapid industrial advances and a desire for modern equipment are opening the door to more and more U.S. exports to Thailand. High among U.S. products in demand are paper converting and printing equipment, the U.S. Department of Commerce has found.

To help U.S. manufacturers of these products enter this promising market, the Department will sponsor a paper converting and printing equipment sales exhibit at the U.S. Trade Center in Bangkok, June 2-6, 1969.

Market studies show a tremendous growth in the use of paper and paper products in Thailand over the past 10 years, with consumption estimated to have reached 100,000 tons in 1967. Thailand's domestic paper industry currently produces about 20,000 tons of paper a year but, with the completion of three new paper plants in 1969, plans to increase output by about 60,000 tons a year.

This increased capacity in the paper producing industry is expected to spur the expansion of the young paper converting industry. Converted paper products currently are produced mainly in printing plants, and production methods are unable to keep up with growing demand. About 1,000 of these graphics and converting firms are in need of mechanization and are eager to purchase advanced automatic equipment.

Box makers, printers, bag and sack makers and pharmaceutical houses that package drugs and cosmetics make up the major market for this type of equipment. Smaller paper cup factories, drinking straw factories and paper lining and book binding firms are also interested in U.S. products.

Best sales bets

Specific paper converting equipment identified by market researchers as having promising sales potential in Thailand include:

Fully automatic paper box forming machinery to cut, form, fold and gum boxes from kraft and other papers; fully automatic equipment to print, cut, form, fold, gum, pack, seal and wrap boxes; machines to pack detergents, granular chemicals, flour, rice, and dried fruits; semi or fully automatic paper cup making machines; machines to make corrugated shipping cartons and fully automatic kraft paper bag making machinery, especially equipment to form shopping bags.

Also needed are bookbinding and book lining equipment; book stitching and stapling machines; cartoners; overwrapping machines, and paper bag closing equipment.

Photosetting, composing machines and offset presses also have an excellent market in Thailand. Miscellaneous printers' supplies, such as spray powder for offset print; "Dayco" color separators and fountain dividers; plate conversion processors; photopolymer plates; flexographic equipment, and special inks also should be shown.

Paper in demand

High quality paper stock is not manufactured in Thailand and is much in demand. Thai businessmen are interested in seeing good quality rag bonds; plain, colored and fancy cover stock; mat and coated book papers; offset papers and fine graphic materials.

U.S. manufacturers of these products participating in other Commerce-sponsored shows have been successful in expanding their exports. Twenty-three exhibitors in a paper industry sales exhibit at the U.S. Trade Center in Tokyo in December 1967 reported $60,012 in off-the-floor sales and estimated an additional $6.6 million in sales by the end of 1968.

Twenty-one participants in a printing equipment show at the U.S. Trade Center in Stockholm in September 1968 earned $375,000 in off-the-floor sales and projected $1.8 million sales to Scandinavian countries within the next year.

A market development campaign is already underway throughout Thailand to attract buyers and agents to the Bangkok show. U.S. firms interested in participating in this exhibit may obtain additional information from the U.S. Department of Commerce (BIC-918), Washington, D.C. 20230, (phone: area code 202-967-4858) or from any of the Department's Field Offices.

Plastics equipment makes sales at Milan

Over 28% of the 2,517 visitors at the exhibition of plastics production and control equipment at the U.S. Trade Center in Milan, Oct. 5-13, came from outside Italy, giving the U.S. exhibitors there a chance to make important contacts with other European markets.

Twenty American manufacturers in the plastics equipment field showed their products at the Milan Center. Immediate sales at the show were reported at $287,223, and predictions of sales over the next year as a direct result of the show reached nearly $3 million, with one firm still to report on its sales experience at the exhibit.

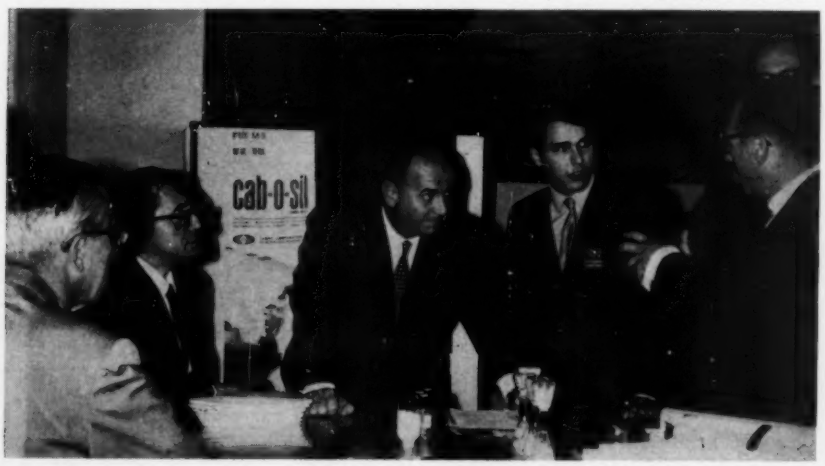
The Trade Center show was held in conjunction with the PLAST '68 trade exhibition at the adjacent Milan Fair Grounds, bringing many fair visitors to see the specialized U.S. equipment shown at the Center.

Five of the exhibitors were actively seeking agents in Italy, one was looking for a licensee, and another wanted to find personnel to set up an Italian sales office. Four agents had been appointed and four more were under consideration as the show closed, negotiations were under way for the licensee, and a sales manager was being selected for the new Italian office.

A company official of Jas. H. Matthews & Co. reported selling $24,400 worth of the firm's plastic marking machines during the show, and estimated that additional business over the next year would total $100,000.

A FEW OF THE 2,517 VISITORS discuss business arrangements with exhibitors (above). Plastic buoy lens made with A-1 Tool Corp. dies was shown (below) by officials of the Illinois manufacturer.

SECRETARY GENERAL OF PLAST '68, Dr. Ing. Carlo Bertollotti (center in below left photo) examines Cab-O-Sil products introduced at the show by Cabot Corp. Electrocal heat transfer process shown by Singer Products (below right) drew buyer attention which the firm expects to result in sales of $100,000.



SWEDISH BUYER purchased $20,000 in products at the Eskimo Radiator booth (above left). Sales discussion (above right) took place during the show at the Hunter Engineering Co. stand. Pendleton Tool Industries (below) sold its entire display unit, worth $4,000, during the show's first hours.

Sales high at London auto equipment show

Unprecedented first-day sales of $80,000 for one company got the show of automotive diagnostic and service equipment off to a good start at the U.S. Trade Center in London for its nine-day run, Oct. 16-24.

Arrow Laboratories, the company which made the initial sale of its chemical car wash concentrates, continued to ring up orders, and by the end of the show, Arrow predicted $300,000 in sales in the United Kingdom market during the next year as a result of the show.

Twenty-one exhibitors at the show displayed the products of 22 firms, and when final reports had been tallied at the end of the show, none of the exhibitors said they had failed to meet their primary marketing objectives in taking part in the show.

The exhibition was timed to coincide with the British Motor Show in London, and the double attraction brought many more visitors, both British and foreign, to the Trade Center.

Total sales made at the show came to $195,148, with forecasts of sales during the next year totaling $1.5 million.

Among the 29 agency agreements being negotiated at the end of the show were several with continental European distributors who included the Trade Center on their trips to England to see the British Motor Show.

Peerless Instruments found almost unlimited opportunities for sales of its advanced automotive diagnostic instruments.

Ace Electric, which had entered the show primarily to find a representative to handle its sales in the United Kingdom on a long-term basis, was pleasantly surprised with potential sales which a company official put at $100,000 for the first year after the show.

Eskimo Radiator concluded $20,000 in sales agreements at the show, including one sale to a Swedish customer for $12,000, and projected its future sales in Europe resulting from the London show at $275,000.

Floor sales of $54,000 and probable additional business to the tune of $125,000 greeted Hayer-Stanyer, while Dreyco Motor enthusiastically predicted future sales of $150,000.

Scientific Safety and Bissett-Berman each expect $100,000 in business to result from their trade contacts at the London show.

After the outstanding opening day success of Arrow Labs, company vice president Eric Eichwald commented: "We were so busy during the first few hours of the show that we were unable to conclude all the discussions we would like to have had with prospects who visited our booth."

Eichwald also reported many inquiries from important fleet users of car washing equipment, such as British Road Services and the British Railway Board, which expressed great interest in the possibilities of quick washing of cargo containers.

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CURRENT BUSINESS DEVELOPMENTS IN BRIEF: The cost of living in **France** increased 0.7% during September. This rise brings the overall increase to 3.6% since the beginning of the year. The September jump was measurably greater than that of the preceding months: the rise was 0.3% in May, June, and July, and it was 0.5% in August. The chief factor in the September increases was services, which rose 1.2%, while industrial products showed rises of 0.5%. . . . Astilleros de Cadiz, one of **Spain's** largest shipyards has contracted to build two 115,000-ton tankers for World Wide Transport, Inc., a subsidiary of the Continental Oil Co. Woolworth Espanola, the Spanish subsidiary of the U.S department store chain, recently opened its second store in Madrid. . . . In its first year, Europe Container Terminus, N.V. of Rotterdam handled 380 container and roll-on-roll-off ships with a total of 57,000 units. Forecasts for the **Netherlands** port facility are for about 65,000 containers to be handled in 1968, 110,000 units in 1969 and 150,000 in 1970. . . . The C.A. Luz Electrica de Venezuela has become an ADELA shareholder through its subsidiary Inversiones Dosco S.A. with a $100,000 investment. This is the first **Venezuelan** firm to join the international combine which has as its primary mission investment into private enterprise in Latin America. . . . The **United Kingdom's** export of motor vehicles appears to be heading for a new record, in spite of numerous labor disputes. It is expected that motor vehicle exports will reach almost $2.2 billion in 1969. The only obstacle that may be a damper on this would be a full scale engineering strike which is presently threatened. In another action, Lockheed Aircraft Corp. has selected Rolls Royce to supply engines for a long-range version of its L1001 jet "air-bus".

Peru charts new course

Coup, expropriation inject economic question marks; U.S. sales at low level

Although the Peruvian economy has not yet completely recovered from the effects of devaluation and has not yet begun to grow at the rate of the early 60's, it appears that necessary measures to get the economy on a sounder footing were completed when tax increases and expenditure reductions were enacted this summer.

Time, of course, will be required before the economy is completely restored, and investment increases. This will depend on the course pursued by the new Revolutionary Government which took over on Oct. 3, according to the semiannual Economic Trends Report from the U.S. Embassy in Lima.

If the Government successfully maintains this program and if certain encouraging trends such as the increase in exports and the improvement of exchange reserves continue, prospects for the medium-term in Peru appear more favorable.

Considering the present state of the Peruvian economy, it seems that U.S. exports to Peru are unlikely to expand in the immediate future. The reduction in imports would appear to be concentrated in consumer items and to some extent in machinery, while food imports are likely to remain the same. However, as the economy improves and confidence returns, opportunities may exist to sell machinery and equipment for specialized industrial sectors.

Just as they have been thus far in 1968, U.S. sales of consumer goods to Peru are likely to be at a low level for the next six months and perhaps longer. Certain imports have been prohibited, and if local industries to manufacture these goods are installed, there is little likelihood that the restrictions will be removed.

Peru will still need to import the same quantity of agricultural commodities.

Import surcharge

Meanwhile, although the certificate exchange rate remains at 38.70, the Government has imposed a surcharge of 10% effective on all imports except food, medicines and petroleum. This surcharge is scheduled to be decreased to 5% in December and to be removed entirely on Jan. 31, 1969.

Importers are in some cases delaying their purchases, waiting for removal of the surcharge as well as for an improvement in demand. In other cases importers are trying to make imports now, but delay payment until February.

Possibilities for sales of machinery and equipment should improve slightly. As business picks up and Peruvian companies initiate their investment plans in fields where special benefits are offered, possibilities should open up for U.S. exporters of machinery and equipment.

The Peruvian Government acted recently to promote national investment in certain specified fields. Based partially on a desire to push investment and partially on the need to prepare Peruvian industry for competition from other countries in the prospective Andean Subregional Market, the Government program will allow special benefits to companies investing in the production of processed food and fish products, of carbochemicals, petrochemicals, chemicals and fertilizer, of most types of machinery and of manufactured products for export. The benefits vary from industry to industry, but include importation of machinery duty free (so long as it is not manufactured within Peru), reinvestment of at least part of the profits free of tax, elimination in some cases of the Peruvian stamp tax on initial sales, and other provisions.

Helping firms compete

The Government has stated that benefits are being granted, at least in part, to help the industrial sector prepare for competition in the Andean Subregional Market. Although this market is still a long way from realization, the progress made over the past year has encouraged the Peruvian Government to take such action as was in its power to help its industry. Of the sectors given special benefits, the petrochemical industry is now covered by a complementation agreement signed by the Andean countries, and the countries are to discuss possible complementation in the field of machinery and equipment in October. As additional complementation agreements are discussed, the Peruvian Government may increase the advantages

offered to industries within the scope of such agreements.

The Government has finally removed the 10% export, one of the more important obstacles. However, although the tax was eliminated for smaller mining companies and certain types of agricultural exports, the larger mining companies were required to purchase dollar bonds in an amount estimated by the Government equal to the impact of the tax. Certain other difficulties still remain. For example, the Government has recently decreed that companies which obtain special benefits under mining or industrial development laws must in most cases place their construction contracts with Peruvian construction firms.

The special benefits mentioned above on importation of machinery and reinvestment of profits free of tax, which the Government has authorized to certain industries should encourage foreign investment. In fact several companies are planning to make investments in the petrochemical field as a result of the Andean Complementation Agreement and the special benefits offered by Peru.

In addition, Government action to promote the construction of tourist hotels, through the same type of benefits, is encouraging to foreign investors.

Nonetheless, Peru has now established for the first time, a requirement that foreign companies be registered in Peru, offer 30% of their stock to Peruvians, and have a Peruvian majority on their Board of Directors. So far this decree only extends to those companies in the petrochemical, carbochemical, chemical and fertilizer fields who receive the special tax and import benefits offered by the Government. The possibility exists, however, that these requirements will be extended to other industries receiving special benefits.

The Government has also imposed certain restrictions on foreign ownership of Peruvian banks. While the decree issued by the Executive Branch may be changed by Congress, it seems likely that the resulting law will adhere to the principle of limiting foreign investment in individual Peruvian banks to a minority of the stock, and regulating the activities of existing branches of foreign banks.

In the economic field, Peru's prospects appear to be better than in the past. Drastic action has been taken to eventually balance the budget and improve the balance of payments, so that after a period of readjustment, growth should resume.

After an extremely difficult twelve-month period of stresses and strains, highlighted by a large fiscal deficit, balance of payments disequilibrium, and a 40% devaluation, the Peruvian economy appears to be recovering. A period of readjustment will be needed; however, if certain encouraging trends continue, it seems likely that the Peruvian economy may resume growth.

The Government has finally taken steps to attack Peru's fiscal deficit which has been a problem for several years but which was worsened by the September 1967 devaluation.

Strong measures to increase taxes and to improve tax collection were introduced in July, coupled with the reduction of expenditures and the promise of fiscal austerity. An increase in the gasoline tax provided immediate income, which the Government is using to pay bills still pending from the close of the fiscal year in April. Additional income is expected from the newly-instituted land tax and from reforms in the tax system. Results so far appear promising.

However, the Government's fiscal deficit, which was about 5.1 billion soles of unpaid bills (approximately U.S. $130 million) during the fiscal year which ended Apr. 1 is too large to be overcome immediately. It will take several years before this fiscal problem will be fully in hand. In the meantime, the Government plans to keep expenditures to a minimum, both for the remainder of the 1968 fiscal year and for the 1969 fiscal year.

Foreign exchange reserves, although still extremely low now appear to be growing slowly. The devaluation naturally encouraged Peruvian exports and reduced imports. Despite this favorable trade development, however, reserves continued to decline, reaching their lowest level at the end of May. In June the Government initiated a combined program to attack the fiscal situation, restore public confidence and improve the balance of payments.

By the end of August total reserves were climbing slightly again and had reached the level of about $89 million. With the prospect that exports will remain substantial for the next year, and that imports, which have dropped 23.8% in the first six months of 1968 compared to the previous year, will continue at a low level, it seems likely that foreign exchange reserves will continue to rise slowly.

To promote this end, action has been taken to postpone foreign debt payments. The Minister of Finance has just signed agreements in the United States refinancing part of the Peruvian debt, and is now completing similar negotiations in Europe. This is expected to maintain and increase reserves in the near future.

There are few statistics which accurately reflect the current level of economic activity in Peru. It is apparent that the export sector has increased production. Exports of fishmeal, copper, iron ore, sugar, and silver have shown substantial increases over the previous year. Of Peru's principal export products, only cotton, which is principally grown in the drought-stricken north, lead and zinc showed a decline. Production for domestic consumption was, however, limited because of declining demand.

The effects of tightness of credit, and declining personal incomes, which have hurt demand, have been compounded by higher prices based on increased sol costs of imported components and slightly higher wages.

The construction industry has been particularly hard hit by depressed conditions. Fiscal austerity, which forced a sharp decline in public works in 1967, continued to affect the construction industry. The value of contracts signed for public works in the first six months of 1968 was 16.7% below the same period of 1967 and almost 75% below the same period in 1966.

In other fields, consumer demand for automobiles and for imported products has not yet regained the buoyancy lost with the devaluation.

At the moment growth is limited to the export field. However, as confidence begins to return it is hoped that government assistance will promote growth in certain selected industrial fields, which will in turn lead the rest of the economy.

Oilfield expropriation

On Oct. 9 Peru's military government expropriated the petroleum refinery and other facilities belonging to the International Petroleum Company (IPC), a subsidiary of Standard Oil of New Jersey. The long-standing dispute between the Government of Peru and IPC over the oil fields had been resolved on Aug. 13, when IPC ceded the fields to the previous Belaunde Government, which had definitely canceled any debts allegedly owed by IPC to the Government. The present military government has said that the courts will decide the question of compensation. The expropriation was preceded by an August decree (See *International Commerce*, Oct. 7, p. 33) which discriminates against foreign construction firms, and it marks a further deterioration of the investment climate in Peru.

It is too early to assess fully the impact of the coup and the nationalization of the oil fields on the investment climate.

Italy buying with gusto

Imports from U.S. up 6% while shipments from EEC partners increase only 2.3%

By ALBERT E. PAPPANO
Counselor for Commercial Affairs, U.S. Embassy, Rome

The major factors influencing the outlook for U.S. sales to Italy in the coming year are the continuing generally healthy state of the Italian economy and the evident determination of the Government to deal with any soft spots as they appear. Also favorable to the trade outlook are Italy's continued strong reserve and external payments position, coupled with the policy of cooperating in measures aimed at restoring international equilibrium.

These factors, together with the increasing sophistication and accelerating pace of technological advance in Italian industry, offer encouraging possibilities for U.S. exports to Italy during 1969.

For several years the Italian economy has shown strong and steady growth with relatively stable internal prices and increasingly vigorous export performance. About mid-1968, however, signs began to appear that perhaps the rate of economic expansion was leveling off after its climb from the 1964-65 recession and that the GNP for the current year, after increasing by 5.9% in 1967, might barely meet—or even fall below—the 5% growth target of the Five-Year Plan.

The apparent slow-down appeared in industrial production indicators, centering in mechanical, automotive and textile output. The mid-year signs were mixed, however, since manufacturing activity in chemicals and artificial fibers, building materials and some other products was up substantially from the equivalent period of 1967. Construction activity also showed considerable strength, as did the metallurgical industries, mining and energy production.

Prices still stable

Other favorable factors included the continued relative stability of the domestic price structure and fairly easy money and credit conditions. Country-wide per capita income is expected to exceed $1,300 in 1968 and to reach about $1,400 in 1969. Private consumption expenditure is projected as increasing by 6 to 7% in 1969.

On the external side, the effects anticipated from the U.S. balance of payments program, U.K. devaluation of sterling and French emergency measures following the May crisis had not begun to materialize to any significant degree by the end of the first three quarters of the year.

Italian exports continued their dynamic expansion, although this trend could be slowed down later in the year, particularly if demand in the United States and Germany slackens.

Imports leveled off in early 1968 and this fact was variously interpreted as a symptom of weakening internal demand, as a reflection of inventory adjustments, or as a result of importers' delaying orders to take advantage of July 1 duty reductions, when national tariffs moved to zero within the European Community and the first Kennedy Round reductions of the Common External Tariff were put into effect.

For whatever reasons, imports from the European Community countries did in fact level off in the first half of 1968 as compared with the same period a year earlier, while imports from the United States, understated for technical reasons at 6% above the corresponding figure for the first half of 1967, seemed to be maintaining their upward trend.

On balance, prospects seem favorable for continued expansion of the Italian economy, although growth in 1968 will be at a somewhat slower pace than in 1966 and 1967. According to a recent survey, businessmen remained confident for the immediate future, and other surveys of business intentions suggest that new private and quasi-private investment will be maintained at a healthy level. Undoubtedly. Government spending programs have had some psychological effect.

Although to some extent offset by substantial capital outflows, strong current account income has kept total payments in surplus, and Italy's official reserves of almost $6.3 billion at the end of August were among the highest in the world.

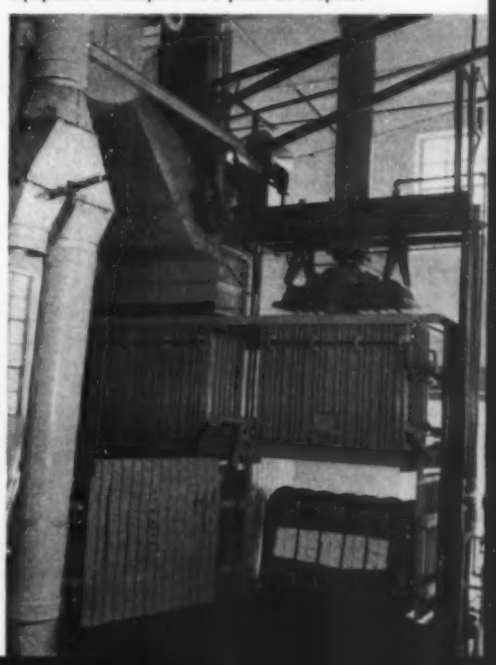
Noting signs of lagging activity in the mid-year indicators, the Government moved quickly at the end of July to announce, together with its budget proposals, a series of measures to reinforce the expansive factors already present and to restore a rate of GNP growth closer to 6% in 1969. These measures were designed to accelerate investment in direct production and infrastructure projects, particularly in the South, to encourage increased employment and industrial productivity and to stimulate additional consumer demand.

A decree law, effective from Aug. 29 but ratified by the Parliament only in late October, provides increases of loan funds for construction or modernization of plants or equipment, tax credits or exemptions for certain new industrial investments, reduction of the consumption tax on electric power for household appliance use, and partial assumption by the government of certain social security charges. In final form the law also includes a loan fund for applied industrial productivity research, funding for railway modernization and a temporary reduction of electric power rates for small industrial users.

A further legislative proposal, submitted to Parliament in September, would authorize additional funds for subway construction in certain cities, special incentives to import scientific instruments and technologically-advanced capital goods, new housing construction, development programs in South Italy, and rehabilitation of the textile industry.

The investments contemplated by these two pieces of legislation are in addition to those already envisaged under the Five Year Economic Plan: roughly $70 billion for the period 1966-70, divided between

IMPORTS FROM U.S. are growing faster than those from Italy's partners in the European Economic Community. Below, U.S. cotton ginning equipment in cooperative's plant at Trapani.



directly productive investments (about $40 billion) and social and economic infrastructure (about $30 billion).

The Government's budget proposal contemplates expenditures of $17.2 billion, compared with $15.7 billion for 1968, and would result in a planned deficit of $1.6 billion. The total government deficit, however, including both budget deficit and net changes resulting from other Government and quasi-Government operations would probably reach about three times that amount.

In addition to expansionary budget proposals, the Minister of State Participations announced in late September that investment programs of state-controlled enterprises in 1969 would be of the order of $1.7 billion.

Public sector operations in 1969 are thus clearly designed to have a stimulating effect on domestic economic activity and demand. In actual practice, however, the effect may be reduced by cumbersome administrative procedures which, according to a recent study, can involve a delay of as much as 900 days, with an average of about 500 days, between final approval and the actual expenditure of funds.

In a recent discussion of this problem, a bulletin of the government-owned Banca Nazionale del Lavoro reported that concern has arisen as to the effectiveness of fiscal policy in meeting the needs of economic growth and full employment in Italy, and that the Government is studying means to increase the utilization of extra-budgetary mechanisms for this purpose.

The General Confederation of Italian Industries (CONFINDUSTRIA) projects total industrial investment for 1969 at about $4 billion, of which about $2.7 billion is foreseen for the manufacturing industries, about $950 million for energy production and transmission, about $230 million for the construction industries, and the rest for mining. The projected figure for manufacturing includes $690 million for the mechanical industries (inclusive of automotive and electronic), $605 million for the chemical industries, $389 million for metallurgy, $245 million for paper and printing industries, $168 million for food processing, and $163 million for the textile industries.

Several of the larger Italian companies have announced specific plans for new industrial investment in South Italy over the next year or two. Montecatini-Edison plans to invest $320 million in plants for the production of petrochemicals, potash salts, and sulphur and phosphoric acid in Sicily. Pirelli's plans call for the investment of $80 million in new productive facilities for electric cable, tires and rubber shoes in Sicily and South Italy. FIAT projects investments of $56 million in the South in the production of standardized automotive components, agricultural machinery, and automotive repair and maintenance facilities, as well as a new assembly plant in Sicily.

ENEL, the nationalized electric power company, has announced that it will invest $800 million in 1969 in additions to existing public power systems and will embark on a program of nuclear power construction that will aggregate $1.6 billion of investment by 1980.

The Ente Minerario Siciliano is reportedly planning a new aluminum plant in the Province of Ragusa at a cost of about $128 million. The same organization is participating also in a group planning a water desalination project at Gela that will cost about $27 million.

Natural gas discoveries

The National Hydrocarbon Entity, ENI, announced in September important discoveries of natural gas deposits in the northwest Adriatic Sea, and plans to continue work on its gas pipeline network with a view to increasing it by about one-third by 1970.

Italy's largest iron and steel producer, the Government-controled ITALSIDER (IRI) has underway a major expansion of its integrated plant at Taranto. This project, to be completed in about three years, calls for expenditures of $320 million, of which about one-third remained uncommitted as of September.

Although the primary impact of the projected investment programs in both public and private sectors will be on the domestic economy, and thus will only indirectly generate import demand, most if not all of the contemplated projects will include some direct import component and thus offer opportunities for American suppliers.

Italy's imports from the United States have been running at a rate of over $1 billion per year since 1966, and in 1967 were about one-third as great as Italian imports from other European Community countries. Figures for the first six months of 1968 indicate that imports from the U.S. were about 6% above the same period last year, while total imports increased by only 2.3%, reflecting a decided leveling off of imports from the European Community.

From 1961 through 1967 the U.S. percentage share of Italy's imports had been gradually declining although in absolute terms imports from the U.S. continued to grow. During the same period the European Community share of Italian import trade steadily increased. The United States remains, however, in second place as a supplier of Italian imports, led only by Germany.

Agricultural products continue to figure prominently in U.S. sales to Italy, and are expected to exceed $250 million this year. The leading categories are feed grains, oil seeds and cake, and raw cotton. In the case of cotton, the United States has regained first place as a supplier to the Italian textile industry, and sales may continue to increase next year.

Although feed grains may decline as the effects of the European Community's Common Agricultural Policy and this year's bumper corn crop are felt, demand for oil seeds and cake for food oils seems to be on the increase, and imports of U.S. tobacco are rising, apparently as a result of expanding manufacture of American types of cigarettes in Italy under license.

Another leading performer among imports from the United States is coking coal, which should hold up well next year, provided U.S. prices and transport costs can be kept in line with competitive sources in Germany and Eastern Europe. Machinery, precision equipment and chemical products have also performed well and should be capable of steady expansion. The United States is always a strong competitor in aircraft and parts, and important sales opportunities in the field should be in prospect with the periodic updating of commercial airline equipment and rising European interest in private and executive-type aircraft.

Examination of the detailed presentation in connection with the CONFINDUSTRIA investment forecast indicates the following as some of the major areas of capital expenditure foreseen for the coming year: machinery and equipment for: mining, exploration and extraction, offshore oil, food packing and canning, the textile industry, iron and steel mills, electrical appliance plants, and for the electronics and petrochemical industries.

There is active interest in the Italian Government and scientific community in the pursuit of oceanographic research directed toward the development of offshore mineral resources, improvement of the fishing industry and augmentation of Italy's water resources.

Increased oceanographic research is essential also for building and maintaining port works and tourist facilities. The National Research Council has prepared a Five Year Plan that will include the acquisition of a small oceanographic survey vessel during 1969. Oceanographic programs in the private sector will include off-shore oil exploration.

A recent survey indicates that best sales prospects in the field of oceanographic equipment include hydrographic winches, echo sounders, water tempera-

ture recorders, remote indicators for course, speed, gravity, radiosonde receivers, balloon-tracking radar equipment, current meters, Namsen bottles, and underwater television and photographic equipment.

Another promising field, according to recent studies, is that of scientific and technological instruments and equipment, owing to growing interest of both the Italian Government and industry in research and advanced technology, and the expectation of increasing government expenditures for this purpose. Indicated as areas of particular interest are most types of medical, surgical and dental instruments and equipment; electric and electronic measuring equipment, especially of advanced types; and laboratory and research equipment, especially of types not yet available from European sources.

Rising income levels stimulate increased interest in standards of living commensurate with Italy's importance as an industrial country. Items of particular interest are most types of small boats and boating equipment, camping and sporting goods, radios, record players and other related items.

A major focal point of the U.S. trade promotion program in Italy is the U.S. Trade Center at Milan. Strategically placed within the Milan fair grounds complex, and dynamically and imaginatively directed, the Trade Center not only affords U.S. exporters an opportunity to show their products to selected groups of potential buyers and to meet their customers face-to-face, but helps to identify particular product lines for more intensive sales effort.

Some of the product groupings which Trade Center shows in 1968 have revealed to have particularly promising sales prospects in the Italian market are water pollution control equipment, industrial assembly equipment, paper manufacturing and converting equipment, and plastics production and control equipment.

During 1969 Trade Center shows planned or under consideration for the following product lines will offer new opportunities for exploration of the Italian market: reprographic equipment, materials testing equipment, high vacuum and cryogenics equipment, materials handling equipment, precision optical equipment, security and protection equipment, advanced training aids, specialized packaging equipment, microcircuits and hi-fi, stereo and amateur radio and audio engineering equipment.

Trade Center success

A typically successful Trade Center exhibit was that of Plastics Products Manufacturing and Control equipment held in October, and timed to coordinate with PLAST '68, The International Plastics and Rubber Exhibition held in Italy every fourth year. Italy is an important producer and consumer of plastics and market studies show particular interest in new lighter and cheaper plastics applications in building construction and in the highly competitive appliance industry. Most types of manufacturing and processing machinery and equipment for plastics should find excellent market acceptance.

The growing interest of Italian business in advanced techniques and concepts of management is creating a promising market in special types of office equipment, such as special purpose cash registers, data-processing auxiliary equipment, addressing machines, duplicating and copying machines, including electrostatic copiers, and other business machines of advanced design. There is a growing market among government offices, banks, insurance companies and industrial associations for the smaller, all-purpose computers and related data-processing equipment.

The provision of adequate water resources is a critical factor in the economic development of South Italy and the Islands, and there is strong interest, both government and private, in all phases of desalination, water purification and pollution control. For example, the industrial development program planned for the Bari-Brindisi-Taranto triangle offers particular market potential, while in some coastal and island areas the development of tourist facilities depends on finding commercially feasible, smaller-scale installations for water treatment. The Italian Government has established special financing on favorable terms for water desalination installations.

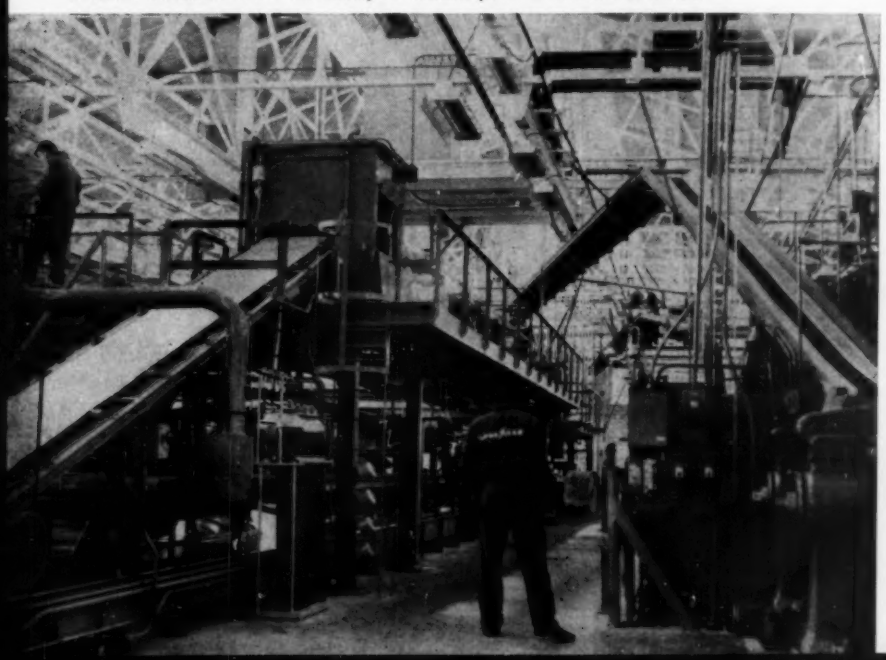
To provide maximum opportunity for American business to explore the fast-growing market for equipment of these types in the Mediterranean Basin, the U.S. Government is sponsoring a major exhibition, PURAQUA, to be held at Rome in February. The exhibit will include not only all types of machinery and equipment, including the most advanced, for desalination, water purification and pollution control, but a conference and seminars that will assemble leading authorities from science and industry for the study and discussion of advanced technology and research in these fields.

Also planned for 1969—tentatively for November—is a train-mounted exhibit of smaller, special-purpose computers similar to the one presented with success in Britain in late 1967. The train-show will afford an opportunity for U.S. producers to expose the latest equipment to potential buyers in five or six selected urban market areas.

Excellent sales opportunities exist in Italian markets for a broad range of U.S. products. American exporters have the advantage of advanced technology in many lines, as well as the high reputation which American products enjoy in Italy for dependable quality and service, and for competitive pricing.

Potential exporters should realize, however, that competition is becoming ever keener in the Italian market, both from domestic and from other European Community producers, and in the last analysis, success will depend on aggressive, imaginative and sustained effort.

ITALY'S INDUSTRIAL INVESMENT for 1969 is projected at $4 billion by the General Confederation of Italian Industries. This is the Goodyear Italiana plant at Cisterna di Latina.



Greece in modest revival

Imports, reflecting brisker economic pace, expected to increase about 6%

After a slow start, carried over from Greece's mild recession of 1967, the first seven months of 1968 brought an 8.7% rise in retail sales, a significant increase in building licenses issued and other welcome indications of a modest revival in business activity. This is the verdict of the semi-annual Economic Trends Report from the U.S. Embassy in Athens.

Reflecting brisker activity, imports have been rising and are expected to be about 6% higher this year than last. Exports declined through the first eight months of the year, owing mainly to reduced tobacco shipments to the USSR, the United States and the Common Market; at best exports will probably not increase by more than 2% over 1967.

Although shipping earnings have shown a substantial increase and both tourist receipts and emigrant remittances improved in July and August, the growth in net invisible earnings, estimated at 4% for the full year, will not be enough to compensate for the larger commodity trade gap. At the end of the year, the deficit on current account may stand at $270 million, 18% higher than in 1967.

Financing already in sight is adequate to cover this deficit, but includes a higher proportion of suppliers credits than in former years. Including $18 million transferred from the Special Gold Sovereign Fund, foreign exchange reserves should stand at about $306 million at the end of 1968, sufficient to cover a little over three months of normal imports.

For the coming year, balance of payments stability depends largely on the rather unpredictable behavior of invisible earnings, on moderation in the expansion of consumer goods imports, and on the continued willingness of foreign suppliers to provide substantial credits. In the longer run, a higher inflow of both private and official investment financing will be essential.

Banks open branches

Both the Chase Manhattan Bank and the Bank of America have opened branch offices in Athens, joining the First National City Bank and the American Express Co.

The Government actively continues to solicit foreign investment, and has incorporated the Investment-Law guarantees into the new Constitution. Tax incentives and other inducements offered by the Government have now induced more than 100 foreign firms, several of which are American, to open regional supervisory offices in Greece.

Greek officials state that productive foreign investment projects approved in January-July amounted to $126 million, more than double the amount in the same period of 1967. American firms were prominent on the list of approved investors; notably MacDonald Co. of St. Louis with a $150 million road project in Northern Greece (only a fraction of this amount will result in deliveries from the United States, however) and Tom Pappas, who is undertaking a $20 million project, eventually to rise to $27 million, involving several Coca-Cola bottling plants and a chain of fruit and vegetable canneries in various parts of Greece.

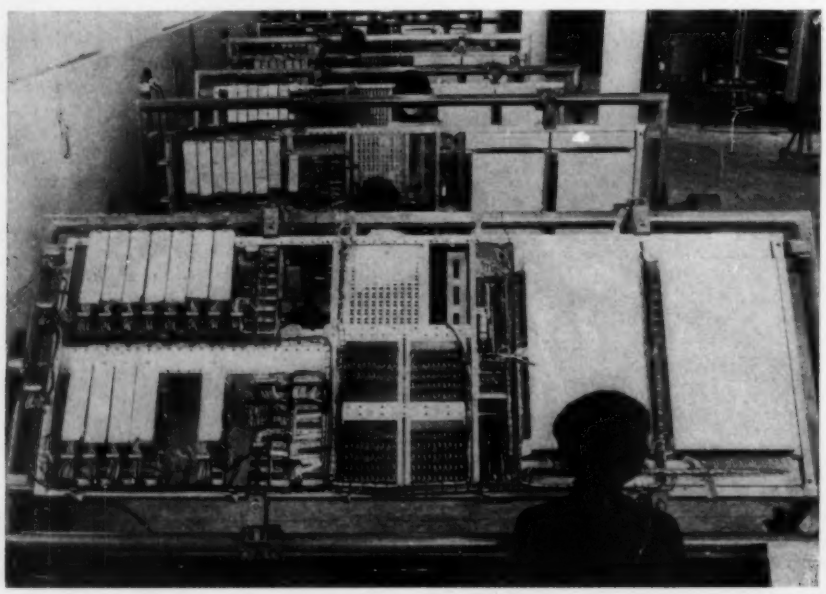
In another $4 million project (rising eventually to $9 million) Tom Pappas will establish a number of dairy plants to produce pasteurized, evaporated, condensed and powdered milk, as well as cheese and butter. Page-Europa, a wholly owned Italian subsidiary of Page Communications of the United States, won a $12 million contract to establish television facilities in Greece.

The Owens-Illinois Glass Co. of Toledo will join with the Hellenic Chemical Products and Fertilizers Co., the Greek Powder and Cartridge Co., and the National Investment Bank to build a $13.2 million plant for the production of glass containers and tableware. In October, the Greek Government approved a $6 million investment by American Structural Dynamics International of Chicago, for establishment of three plants to produce soil conditioners from low grade lignite.

Aristotle Onassis and Reynolds Aluminum are jointly negotiating with the Greek Government for an investment package reported to total $400 million. It is understood that the project will include an oil refinery (the third for Greece), an aluminium smelter, shipyards, and possibly also tourist facilities, a power station, and air terminals.

Greece will need to import up to 200,000 tons of wheat and 380,000 tons of corn this year to meet consumption needs and maintain adequate stocks. All or most of these supplies will probably be purchased from the United States under CCC terms, thus boosting our export trade with Greece by some $40 million in late 1968 and early 1969.

GREECE'S INVESTMENT LAW GUARANTEES have been included in the new Constitution, and the Government solicits foreign investment. This ITT Hellas plant makes telephone exchange equipment.



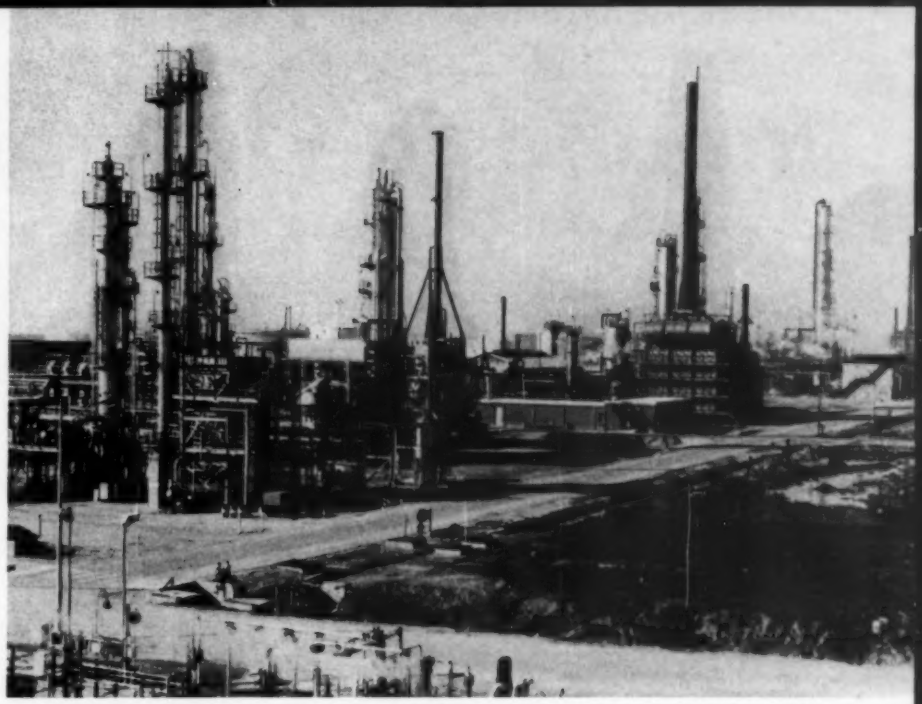
Aside from the heavy deliveries of U.S. food and feed grains which should begin this year, there are several governmental and quasi-governmental projects now underway that could result in sales of American equipment and services.

A number of American firms have bid on a Greek Government project to study the expansion needs of the Athens Airport. The Greek Government has invited tenders for construction of a $6.5 million tunnel in connection with the Mornos River project. The quasi-governmental Nitrogenous Fertilizers Industry, S.A. at Ptolemais is soliciting bids for the procurement and installation of machinery to increase its production of anhydrous ammonia and ammonium nitrate. A Comsat ground station and an atomic power plant are still under discussion.

In its determination to preserve its balance of payments position, the Greek Government can be expected to channel trade, insofar as possible, toward domestic sources and countries that can provide suppliers credits or other special advantages. Of the $375 million in outstanding suppliers' credits in August, only 4.4% had originated in the United States, while most of the remainder were from Europe and the Sterling area. Increased Export-Import Bank participation would improve the U.S. share of the Greek market.

The United States provided 40% of the emigrant remittances and 54% of the tourist receipts that flowed into Greece during the first seven months of 1968. During these months, Greece's total invisible earnings from the United States rose to $150 million, compared to $138 million in the same period of 1967.

Traditional exports to the United States of wines and spirits, olive oil and furs have been slightly below the 1967 level. Tobacco exports to the United States, exceptionally high in 1967, showed an inevitable decline this year, dropping to $16 million in January-June as compared to $24 million in the first half of last year. In total, Greek deliveries to the U.S. dropped from $35.5 million in the first half of 1967 to $30 million in January-June of this year, also declining from 16.2% to 14.5% as a share of global Greek exports.



NEW PLANTS HAVE HELPED BOOST Greek industrial output by 5.2% this year. One of the chief contributors has been the Esso-Pappas industrial complex at Thessaloniki, part of which is shown above.

Industrial production, bolstered by the increasing output of such new plants as the Esso-Pappas oil refinery, the Pechiney Aluminum smelter, and several fertilizer factories, rose by an estimated 5.2% compared to 3.7% in the same period of 1967. Investment in industry during 1968 is expected to approximate last year's level.

Agricultural output has not followed the general upward trend, and is expected to fall 3% below the previous year.

The poor harvest is expected to hold this year's increase in gross national product down to about 4%, slightly more than in 1967, but still well below the growth rate during the 1964-66 period, which averaged over 7.5% annually. With the present trend toward returning business confidence, the government's current policy of encouraging expansion, and a better harvest, the economy might well show a higher growth rate next year.

A soft spot to watch is the rather high liquidity in the economy, which could spill over into demand for both domestic and imported goods and services, thus pushing up prices and putting pressure on the balance of payments.

Hoping to stimulate business activity without bringing on serious inflation, the Government is pursuing a cautiously expansionary policy. Budgetary expenditures, the primary tool of this policy, are running at a higher rate than originally programmed and may lead to a deficit of as much as $250 million in the combined regular and investment budgets.

In October, the Government also liberalized bank credits, allowing exporters to borrow at drastically reduced rates, and providing special credit facilities for the depressed construction and shipbuilding industries. Even before this policy was put into effect bank credits to the private sector had risen by 48% over the previous year from Jan.-July.

Prices are stable

Inflationary pressures, always latent in the Greek economy, are quiescent at the moment. Prices, which had declined since May 1967, have crept back up slightly beyond the early 1967 level. There is still little pressure on the Government-imposed price control structure, which may be intended primarily as a safeguard against future difficulties.

The Government has taken several steps to curb imports of consumer goods. For textiles and electrical appliances, the compulsory cash deposits have been raised from two months to four months, while imports of television sets have been put under a very low quota for the rest of the year.

U.S. market share

Despite an 11% increase in Greek imports from Common Market countries during January-June, the United States suffered only an insignificant reduction in its share of the Greek import market. Even this small cut was fortuitous, reflecting lower deliveries of U.S. foodstuffs following the good Greek harvest in 1967.

The U.S. share of imports in categories other than foodstuffs actually showed an increase from 8% in the first half of 1967 to 9.2% in the same period of 1968.

Indonesia view brightens

Commercial imports from U.S. may double during 1968; import payment rules altered

Since Indonesia's crisis during the 1967-68 turn-of-the-year period, prospects have brightened for increased price stabilization as rice prices have remained generally steady and the rate of inflation is being held to a 3-4% rise per month. An excellent rice crop and orderly official preparations for the traditional shortage period augur well for the government's ability to prevent a recurrence of last year's end of the year inflationary crisis.

Government steps toward monetary stabilization have begun to show effect. The 1968 budget deficit should be below even last year's recorded 5.6%.

U.S. commercial trade with Indonesia may well double this year, and recent new regulations governing the use of AID BE (Export Bonus) loans for purchases in the United States have increased the prospect of utilizing the $25 million U.S. credit extended in February of this year for developing new fields of U.S. sales to Indonesia. (For full details of the new incentives to use AID funds, see story on p. 26).

U.S. exports to Indonesia by June of this year were already ahead of the total $68.3 million for all of last year and rising steadily. Of the $87.3 million in U.S. exports to Indonesia through July approximately 63% was commercial (non-AID financed), putting commercial sales well ahead of last year's total commercial sales figure of $39.4 million. Major U.S. commercial sales to Indonesia are in the fields of pharmaceuticals, paper, engines, machinery, and electrical equipment.

The $25 million AID credit available within the BE system to Indonesian importers should be an incentive to broad expansion of U.S. exports. Through September, however, only about $500,000 of this credit had been used while credits from Japan, Netherlands and other countries were being utilized somewhat more rapidly. But new Indonesian Government regulations issued in September should improve the competitive position of the United States in use of AID commodity loans, and prospects for utilization in the future are much improved.

Many factors, including AID monitoring procedures have rendered AID-financed imports less attractive. The most important factor, however, has been the time element in transporting products from the United States, which has constrained the importer to pay high interest charges on rupiah borrowed to purchase BE until the goods arrive in Indonesia and can be sold.

New government regulations will allow the importer to defer payment for AID-financed foreign exchange until arrival of the goods in Indonesia, thus effectively eliminating the time element. At present, the Central Bank requires the importer's bank to furnish a guarantee that the rupiah payment will be made and thus may reduce the effectiveness of the new facility for AID-financed exports.

A series of decrees has altered the foreign exchange system, resulting in more stability to the BE rate at the price of some modification of certain elements of the new government's struggle to achieve a floating, unitary exchange rate for the rupiah.

Beginning May 27, exporters were no longer permitted to use or to sell BE certificates to anyone except licensed foreign exchange banks. This eliminated the curb market in BE and made it necessary for importers thenceforth to buy their needs from the banks, thus bringing the entire mechanism of financing BE-list imports (non-luxury goods) within the banking system and under the supervision of the Central Bank.

At the same time, the discount of 10-15% previously given importers who agreed to use the foreign exchange given Indonesia by Free World countries as grant or long-term loans was abolished. Although the exporters' freedom to play the open BE market was thus eliminated and they were required to change their export earnings immediately into rupiahs at the bank ("call") rate, the BE call rate was nonetheless maintained at the 300 level for nearly two months through June and July, when it began to rise slowly to its present level of 321.

The DP rate, however, which is based on the sale of free foreign exchange earned mainly from the difference between the check-price recognized by the Indonesian Government and the actual selling price of export commodities, rose sharply during May and June as apprehension was felt among traders that the government planned further restrictive measures to conserve foreign exchange.

Sure enough, on July 9, the new Trade Minister, Professor Sumitro, jointly with the Finance Minister and the Central Bank Governor, decreed that, temporarily, imports of BE-list items (non-luxury goods) could no longer be financed with BE export earnings; only foreign aid money could be utilized.

Since a large percentage of Indonesian imports traditionally comes from or at least through Hong Kong and Singapore, the curb price of free exchange (DP)—usage of which was unaffected by the new rule—soared to new heights (from 375 on July 9 to 445 by July 18). The stop-gap BE measure was revoked at the end of July, causing the DP curb rate to settle down.

This decline was brief, however. The government on Aug. 9 temporarily suspended the opening of BE-financed letters of credit in favor of any Hong Kong or Singapore firm, on grounds that there had been foreign exchange manipulations. When the suspension was lifted at the end of August, stringent new regulations were placed on the Hong Kong-Singapore BE trade, which in effect also served to reduce demand for foreign exchange (BE) derived from exports at the check price rather than from foreign aid. Traders with Hong Kong and Singapore are still free, however, to open letters of credit by using the more expensive DP or even to avoid completely the letter of credit process (and related banking services) by the device of despatched goods (barang kiriman).

The net effect of these expedients is not yet apparent. The trading and investment community has been bewildered

Strong U.S. backing

Over the past two years the Indonesian Government has grown in experience and capability to meet the harsh economic realities of the Indonesian scene. Cabinet changes in June brought in more top civilians to man Indonesia's already highly experienced and skilled economic team. The U.S. Government's confidence in Indonesia's leaders is underlined by its continuing willingness to respond quickly and affirmatively to Indonesian requests for support of efforts to stabilize and modernize the country's economy.

by the rapidity and complexity of the changes, and the difference between the DP curb rate and the Central Bank's BE call rate has increased to over 40%. Most observers consider the DP curb rate a much more accurate reflection than the BE rate of the true value of the rupiah in terms of foreign exchange.

The balance of payments situation remains gloomy, and Indonesia will continue to require large inputs of foreign aid for some time to come. However, the country may run a balance of trade surplus this year, and production increases in the agricultural, mining and petroleum sectors of the economy give hope of larger trade surpluses in the future. The domestic manufacturing industry, however, is still operating far below capacity, and there are few signs of domestic capital investment.

While problems of bad internal communications and port systems still plague the exporter, the government has recognized the need for more export incentives. Since mid-year, new check price policies have been adopted that give the exporter a larger amount of free foreign exchange earnings (overprice) which are not required to be sold at the BE call rate and may be sold at the curb DP rate or used by the exporter.

In September, the Department of Trade took a major step to encourage the export of Category A goods (rubber, copra, tobacco, coffee, pepper, palm oil, palm kernels, and tin). Previously, there was a 25% tax levied on export earnings at the check price, with 10% going to provincial governments, 15% to the central government and the remaining 75% to the exporter as BE. The September decree raised the exporter's share to 85% and reduced the government share to 5%. While its foreign exchange revenues from exports are thus reduced, the government hopes this loss will be more than compensated by increased export earnings.

Another major factor leading to the estimated 1968 favorable balance of trade was the revamping of customs duties and surcharges during the first months of 1968 which increased the price of (and therefore reduced the demand for) luxury goods. In addition, the imposition of sales taxes on imports has slowed the importation of luxury items (especially textiles) which flooded the market in 1967. Many of these taxes must be prepaid.

The new restrictions in August on the use of BE in the active Hong Kong/Singapore trade may further dampen imports. With the heavy deficit in its balance of payments, however, Indonesia must rely on the continued rescheduling of debts from creditor countries and aid from the Intergovernmental Group (IGG).

U.S. COMMERCIAL TRADE with Indonesia may double this year, and a $25 million AID loan should further aid U.S. sales. These are the Indonesian headquarters of some leading firms.

At the IGG session in November 1967, the Government of Indonesia requested $325 million in assistance for 1968 ($250 in stabilization-balance of payments support and $75 million in project aid). The United States stated its willingness to contribute one-third of the total ($110 million) if other IGG donor countries contributed the other two-thirds.

By the summer of 1968 other donor countries had pledged approximately $190 million bringing the total to $300 million ($64 million in project aid). The largest of the other donor countries was Japan, which with $110 million in effect matched the U.S. pledge; other main donors were the Netherlands with $27 million, Germany $18.7 million, Australia $13.7 million and France $11 million.

A story on the recently-completed 1968 IGG session appears on p. 26.

In the manufacturing section of the economy, tight credit, high power costs, inefficient management and competition of imported goods combine for an overall picture of continued stagnation in both government and private industries.

Problems for industries

Illustrative of domestic industry's problems was the case of an American-owned tire factory which was forced to shut down tire production for a month in mid-August because its product could not compete with cheap imports on which no duty at all had reportedly been paid. A series of protective measures was hastily adopted by the government and the factory thereupon resumed production but at much less than its full capacity.

The government has established a capital participation fund (with the government providing up to seven billion rupiah) for credit extension through BAPINDO (the Indonesian Development Bank). While BAPINDO extends credits to both private and state-owned enterprises, the new fund is designed to assist state-owned enterprises only.

Government policy has continued to emphasize the use of its scarce resources for the development of agriculture and export industries. An important boost was given to domestic industry in July by the signature of the Domestic Capital Investment Law which is designed to give domestic capital the same or comparable tax and tariff advantages as are given to foreign capital investment. The law also defines the rules for joint ventures utilizing domestic and foreign investment.

Foreign investors from all parts of the non-Communist world continue to explore Indonesia's relatively liberal foreign investment policies. Tax holidays, depreciation allowances, rights of repatriation of profits and capital, and the possibility of lengthening the 30-year limitation on investment projects are all being used or considered to give greater incentive to potential investors.

In the past three years Indonesia has moved a long way from the narrowly nationalistic and sometimes communist-inspired policies of the Sukarno era toward an open economic and political position on the world scene. Indonesia's return to the world of trade is reflected in the expansion of shipping and air ties with the United States, Europe and Southeast Asia, and in the large numbers

SEVERAL U.S. FIRMS are already implementing projects approved under Indonesia's new Investment Law. These are workers at a Morrison Knudsen plant in Indonesia.

of businessmen and bankers who crowd Djakarta's hotels, savoring the spirit of confidence engendered by Indonesia's policies.

In September alone many groups of businessmen visited Indonesia to explore investment opportunities. Among them were "Business International", composed of high-level executives mainly from large U.S. companies and a delegation from the Business and Industry Advisory Committee, a private company consultant group for the OECD in Paris. A top executive group arrived from Japan at the end of September under Keidanren (Japanese Federation of Economic Organizations) auspices.

Underlying the government's policy for stimulation of foreign investment is a clear recognition that outside resources are imperative to Indonesia's economic growth. Indonesia's membership in the World Bank's "International Center for Settlement of Investment Disputes" was one of several steps taken during the past year to inspire the confidence of foreign investors. Investment applications are now flowing more smoothly through the Technical Committee for Foreign Investment which has developed clearer processing channels. Orderly competitive bidding in the oil, mining and timber fields has become standard procedure.

Another avenue of trade expansion has opened with the government's liberal policies toward joint ventures. U.S., Japanese, West German and Australian companies have been most active in searching out and negotiating such arrangements. Semi-finished goods can be brought in without facing prohibitively high customs duties and then turned into finished consumer goods, pharmaceuticals and relatively small industrial machinery and equipment for sale on the local market—with repatriation of profits guaranteed.

Latest published figures show that the Indonesian Government this year has received 81 proposals for foreign investment, 52 of which were joint ventures. Of the 64 which have been approved, 34 were in industry, 11 in forestry, six in fishing, four in communications, three in mining, one in pharmaceuticals, one plantation, and four miscellaneous.

U.S. preliminary applications since the investment law went into effect in January 1967 have totaled $510 million for 65 proposals. The figure should be considered as potential investment only; research and exploration will have to be carried out (particularly in mining and petroleum) before any large capital investment is made.

Among the new U.S. investors already implementing their projects are ITT (satellite communications project ground station), Freeport Sulphur (copper exploration in West Irian), and Sinclair/IIAPCO, which began drilling the first offshore test well in September.

AID Investment Guarantees are available to U.S. investors in Indonesia. By June, AID had received 66 applications for specific risk guarantees, of which four have already been approved, as well as an extended risk guarantee for ITT.

The foreign banking community is continuing to grow. Branches of the Bank of America, First National City Bank, Chase Manhattan Bank and American Express International Banking Corp. are all open for business and provide new sources of investment and trade advice. Other foreign bank branches already open or planning to open soon are from Japan, Hong Kong, the Netherlands, Thailand and Great Britain. This show of confidence in Indonesia's commercial and economic future by the international banking community is particularly significant.

Along with the government's efforts for stabilization has been a concentration on getting the economy moving again, especially in fields which will earn or save crucial foreign exchange. Thus, the priority targets for 1968 have been (1) increasing the production of rice and other foodstuffs; (2) expanding exports, especially of petroleum and mineral products, and (3) improving that part of the country's infrastructure needed to move these products to market.

The government's five-year plan (1969-73) is still in draft; however, segments thus far made public show a realistic effort to keep goals within the realm of resources and financial possibilities. The overall target is to bring the GNP growth rate above the estimated population growth rate of about 2.7%. With unemployment estimated at 3½ million, underemployment at 14 million, and efforts for family planning still in the beginning stages, Indonesia will have to rely heavily, to achieve net growth, on developing its natural resources (mainly by foreign capital) and on foreign aid.

Other bright spots on Indonesia's horizon are petroleum, mining and timber. Due primarily to expansion of already established petroleum companies, petroleum exports this year are estimated as running about 30% ahead of last year. Offshore drilling has just commenced, and expectations are high for the possible discovery of large new reserves. The relatively unexploited timber sector is also under development, with several joint foreign/Indonesian companies starting or about to start logging, and mining production (except for coal) has risen across the board.

Indonesia's transportation system remains inadequate to meet the needs of the country. Work on infrastructure has mainly been a holding operation, although in certain sectors the Army's civic action teams have been active on construction projects. Plans are in progress for a study in depth (United Nations Development Program/World Bank) of Indonesia's road transportation system before the task of modernization can begin.

Liberal treatment

While timber, petroleum and mining projects have been given high priority by the government, all industrial sectors in Indonesia are open to foreign investment except public utilities, military industries and nuclear activities. Of particular interest to possible investors is the liberal treatment given as incentive for joint investment. This can be seen from the decision to require only a 10% minimum of the capital of a joint venture to be owned by private Indonesion partners; a state enterprise is required to be at least 50% Indonesian owned.

Private enterprises are capital starved, but several are known to have good management capability and the market they can command is virtually boundless. State enterprises are also seeking joint venture partners from abroad.

Tourism's impact on selected OECD countries

Member country	and reference year	% of tourist receipts in foreign currency in relation to total tourist receipts	% of tourist expenditure in foreign currency in relation to total tourist expenditure	% share in national income of total tourist receipts	% share in consumers expenditure of total tourist expenditure
Austria	1966	83	58	9.5	4.9
Belgium	1967	72	77	2.7	4.0
France	1964	31	30	4.0	4.7
Germany	1967	24	36	4.0	6.1
Ireland	1964	90	79	8.7	4.9
Italy	1965	52	16	5.1	4.0
Netherlands	1966	44	52	3.7	6.0
Norway	1966	33	32	4.9	6.8
Sweden	1966	17	32	3.2	6.3
Switzerland	1966	61	34	7.7	7.0
United Kingdom	1966	31	35	3.1	4.1
Yugoslavia	1966	59	29	2.2	2.7
Canada	1967	38	29	7.5	8.1
United States	1967	6	11	4.1	5.7

World tourism growth outstrips general trade gains, OECD says

New report shows international expenditures equivalent to 6.7% of world's exports; most tourists remain in own country, however

International tourism is growing at a faster pace than world trade, according to a recent publication of the Organization for Economic Cooperation and Development.

The OECD says that world receipts from tourism corresponded to 6.7% of the value of world exports in 1967, compared to 5.5% in 1961.

For the OECD countries, the total was even higher; tourism receipts were the equivalent of 7.7% of the value of their 1967 exports, as against only 6.5% in 1961.

Total tourist receipts of OECD Member countries in foreign currency corresponded in 1967 to the value of their total earnings from exports of motor vehicles or of chemical products.

Owing to the high level and particularly rapid development of tourist movements between European Member countries, it is in these countries that the relative importance of tourism is greatest and has increased most. In fact, receipts on account of intra-European tourism in 1967 corresponded to 10% of the value of intra-European exports, compared with 7.8% in 1961.

The percentage share of tourist receipts in total earnings from exports of goods and services is about 6% for OECD Member countries as a whole and 7% for all the European Member countries taken together, while the figure is around 11% to 12% in Switzerland and Italy, 14% in Greece and 21% in Ireland, 23% in Austria, 28% in Portugal and 41% in Spain.

Despite this impressive growth in tourism across national boundaries, the major proportion of tourist receipts continues to come from domestic tourism. In fact, receipts on account of international tourism represent only 6% of the total tourist receipts in the United States, 17% in Sweden and 24% in Germany; the proportion varies between 31% and 44% in France, the United Kingdom, Norway, Canada and the Netherlands. On the other hand, the proportion is as much as 52% in Italy, 59% in Yugoslavia, 61% in Switzerland, 72% in Belgium, 83% in Austria and 90% in Ireland.

The percentage share in the national income of receipts on account of domestic and international tourism varies, according to the country, from 2% to 9% and the share of total expenditure on tourism by residents in private consumers' expenditure, from 3% to 8%.

Norway's proposed new budget stresses education, research

No new monetary, credit policies seen; payments surplus expected

The 1969 budget presented to the Norwegian Parliament (Storting) proposes expenditures for the year of 17.3 billion crowns ($2.4 billion). Revenues for the year are estimated at 15.1 billion crowns ($2.1 billion) leaving 2.2 billion crowns to be financed by borrowing and by drawing on the Treasury's cash holdings.

The 1969 budget provides for a 12.2% increase in expenditures. Estimated revenues for 1969 are expected to be 10.5% higher.

The 1969 budget again gives priority to defense, education and research, health, social welfare, price supports and subsidies, transportation and communication.

The budget expenditure proposed for education and research is 19.7% higher than in 1968. The amount to be spent is placed at 2.6 billion crowns. Expenditures for social welfare are increased by 11.6% to 1.2 billion crowns and for defense by 6.7% to 2.6 billion crowns.

The budget bill proposes no change in the current rate of the general single-stage turnover tax. On the other hand an increase of 50 crowns per vehicle is proposed for the annual tax on automobiles. This will make this annual tax levy amount to 250 crowns per vehicle as of Jan. 1.

Other tax changes proposed are the repeal of the excise tax on gold, silver and costume jewelry; a minor tax relief for the individual taxpayer; and an increase in the rate of the tax levied for aid from ¼% to ½% of taxable income.

Accompanying the 1969 budget message to Parliament is the Government's economic forecast for 1969 on which the budget is based.

The forecast assumes that the demand for Norwegian goods and services will continue at a high level in 1969. Norway's GNP is expected to increase at a rate of 4% in real terms in 1969, about the same rate as in 1968.

The country's balance-of-payments is expected to show a surplus of 350 million crowns. This compares with a surplus of 250 million crowns estimated for 1968.

The Government plans to follow the same monetary and credit policies in 1969.

Report shows U.S. foreign investment position showed little change in '67

U.S. assets and investments in foreign countries increased by a sizable $10.5 billion during 1967 to reach a total of $122.3 billion.

U.S. liabilities—foreign investments in the United States—rose by a substantial $9.2 billion to almost $70 billion.

Thus, our net foreign investment position in 1967 rose only $1.3 billion, and after adjustment for the decrease of $1.2 billion in the gold stock, was almost unchanged from the preceding year, according to an annual summary in the October issue of the Commerce Department's *Survey of Current Business*.

The increase in our assets and investments was the largest since the record rise of almost $11 billion in 1964. In that year, however, the increase in our net investment position (after adjustment for gold sales) was about $5.3 billion; in 1965 and in 1966, about $3.5 billion.

U.S. private investments abroad increased about $7 billion last year, compared with more than $9 billion in 1964. Aside from the influence of changes in the market value of previously held assets, the advance was about $8 billion in 1964, $5.3 billion in 1965, $6 billion in 1966, and $7.1 billion in 1967. Of last year's increase, $1.6 billion was through reinvestment of earnings on direct investments abroad and $5.5 billion was in capital outflows.

U.S. Government claims on foreign countries increased $3.5 billion last year.

The unusually large rise in foreign holdings of assets in the United States included increases of $5 billion in long-term assets and $4.2 billion in short-term assets and U.S. Government obligations.

At the end of 1967, almost half of all U.S. investments abroad were direct investments, defined as U.S. ownership interest in foreign enterprises of at least 10%. The $59.3 billion total was nearly double the amount at the beginning of this decade. More than 40% was in manufacturing affiliates; both petroleum and all other industries had less than 30% each.

At the end of 1960, only one-fifth of U.S. direct investments were in Europe, and the European total was 20% less than in Latin America and 40% less than in Canada. By the end of last year, direct investments in Europe had risen to 30% of all private direct investments abroad, and the European total had become 50% larger than investments in Latin America and about equal to those in Canada.

For copies of the October *Survey*, which details the international investment position of the United States in 1967, **write:** Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402, or any of the Commerce Department Field Offices. Single issue, $1.

U.K. Post Office to offer free fund transfer service

The British Post Office recently put into operation a new service which offers free transfer of funds and a current account banking system.

The service, known as the National Giro Service or simply as Giro, will provide an inexpensive, simple and quick means for persons and companies to pay and receive money. The program, which will operate through the 23,000 branches of the Post Office, will allow wages and bills to be paid automatically and without charge.

The interest earned by the Post Office from deposits, which it is hoped may total $390 to $480 million at any one time during the first year, will offset the costs of the free Giro service. After the first two years, the scheme is expected to make a substantial profit.

The main services provided by Giro include transfers from one account to another, deposits into a member's account, payment to non-member by postal check, and cash withdrawals at post offices. The only charges will be nominal and will be on the payments into Giro by non-members and on withdrawals.

By using three computers, all transactions are to be completed on the same day they are initiated. Account holders are expected to receive revised statements of their accounts within one day.

Spain trade mission program factor in 40% rise in exports

Program has operational features that may interest U.S. groups

During 1968 the Spanish Ministry of Commerce has made extensive use of trade missions and foreign buyers' groups to promote Spanish exports. These activities are part of the Spanish Commercial Mission Program which is comprised of two main parts:

First, groups of Spanish exporters, organized on a commercial or industrial basis, are sent abroad for trade promotion and market investigation with travel expenses covered by the Ministry of Commerce, similar to the U.S. Government-sponsored missions. Forty such groups have traveled so far in 1968.

Secondly, groups of foreign importers or buyers are brought to Spain to make contact with Spanish exporters, usually in connection with a specific trade fair or conference. Transportation and expenses are paid by the Spanish Ministry of Commerce. Ten buyers' groups visited Spain under this program in the first nine months of 1968.

Major differences

While the Spanish program is similar in its basic concepts to the U.S. Department of Commerce Trade Mission and Group Foreign Buyers programs, there are differences in operation which are worth noting.

Spanish trade missions, for the most part, have been vertically-oriented within one industry or commercial sector with the idea of guiding and focusing their efforts for maximum effect. Most U.S. missions planned for 1968 aim for the same effect using more broadly-based missions representing different industries.

The Spanish Group Foreign Buyers' program, in contrast to the U.S. program, incorporates the essentially different technique of providing monetary assistance to the visiting group. The U.S. program places emphasis on several forms of technical assistance to achieve the same end.

Spanish trade promotion techniques assume added significance in view of the dramatic increase of about 40% in Spanish exports so far in 1968. Plans to continue the Commercial Mission Program in the same form in 1969 indicate that Spain regards it as effective.

Canadian Government asks Parliament to ratify Kennedy Round concessions

New budget also submitted containing complete revisions of tariff schedules for chemicals and plastics; overall rates should be reduced

The Canadian Government has asked Parliament to formally enact the Kennedy Round tariff concessions rates, many of which have been provisionally in effect since Jan. 1.

The resolutions on these concessions were included in the new budget presented to Parliament on Oct. 22 by the Minister of Finance. Earlier passage had been aborted by the adjournment of Parliament in April 1968 prior to the Canadian national election held in June.

Most of the Kennedy Round tariff concessions will be staged over a 5-year period with the first step having already been taken on Jan. 1, when a considerable number of tariff reductions were fully implemented.

The Oct. 22 budget also called for the implementation of a revised tariff schedule for chemicals and plastics based on the proposals of the Canadian Tariff Board; on subsequent changes resulting from the Kennedy Round negotiations; and on the Government's own assessment of desirable changes. These proposals had not previously been submitted to Parliament.

Revision of numbering system

The new schedules on these products represent a complete revision not only of rates and nomenclature but also of the tariff numbering system. The revision reflects the Government's decision, supported by industry, to adopt the so-called Brussels Nomenclature for most of the chemicals and plastics. The Brussels Nomenclature is used by the major trading countries, with the exception of the United States.

The new schedule is a long one primarily because it contains many specific listings of particular chemicals, plastics and their products previously included in so-called broad "basket" categories covering in a single classification a wide range of products not otherwise provided for.

The net effect of the revamping of the schedules is expected to be a general reduction in the level of the tariffs, although increases as well as decreases in tariffs are represented in the proposed schedule.

An examination of the Budget proposals indicates that on a wide range of products the effective rates which Parliament has been asked to legislate are lower than the ceiling bindings provided for by the Kennedy Round negotiations. As a result of these negotiations no Canadian duty will henceforth exceed 15% ad valorem on chemicals and 17½% ad valorem on plastics. The previous ceilings were 20% to 25% ad valorem.

The revision of the chemical and plastics schedules stems largely from the fact that in 1956 the Canadian Tariff Board was directed to see what could be done to achieve a more modern, simplified and logical tariff schedule. The study continued for 10 years and when it was completed in 1966, the Tariff Board's recommendations formed the basis for the Canadian Government's proposals on chemicals and plastics in the Kennedy Round.

The new legislation submitted to Parliament also requests that authority be granted to the Governor in Council to waive, reduce or restore duties on a number of chemicals and plastics as changes occur in Canadian production.

U.S.-Swiss trade agreement to be terminated Dec. 31

The United States and Switzerland have agreed to terminate their bilateral Trade Agreement of 1936 on Dec. 31.

The agreement is one of the few remaining bilateral trade agreements which the United States negotiated under the Trade Agreements Act of 1934. Since then, as the countries with whom these agreements were negotiated have acceded to the General Agreement on Tariffs and Trade (GATT), obligations contained in the bilateral agreements have been superseded by obligations under the GATT. In these cases, there has therefore remained no practical reason to maintain the earlier agreements which are already in force.

This is now the situation with respect to the 1936 bilateral agreement between the United States and Switzerland. Both are members of the GATT and their commercial relations with each other are now governed by the provisions of that multilateral agreement.

Guinea will buy U.S. mining goods with Eximbank loan

$25 million credit to finance imports for bauxite project; AID provides local currency

The Export-Import Bank has authorized a $25 million credit to finance the U.S. dollar costs of developing the bauxite reserves at Sangaredi in northwest Guinea. The total cost of the undertaking is estimated to be $182.5 million.

The proceeds of Eximbank's credit are expected to finance the purchase of equipment for bauxite mining, transportation, crushing, drying, calcining, and handling. American manufacturers interested in bidding on supply contracts should communicate directly with the project consulting engineer, Societe de Traction et d'Electricite, 31 Rue de la Science, Brussels 4, Belgium.

The Eximbank credit will be in favor of Compagnie des Bauxites de Guinee, the mining company in which the Government of Guinea holds a 49% interest. The remaining 51% is held by Halco (Mining) Inc. whose stockholders are seven aluminum companies, including the Aluminum Co. of America, Harvey Aluminum, Inc., Alcan Aluminum Co. of Canada, Pechiney-Ugine Kuhlmann of France, Vereinigte Aluminum Werke of Germany, and Montecatini-Edison of Italy. Repayment of the Eximbank credit will take place over 15 years beginning in September 1972.

AID credit advanced

In addition to Eximbank's credit, the U.S. Agency for International Development will advance $21 million of local currency. The International Bank for Reconstruction and Development has already announced its credit of $64.5 million. The mining company is presently nego-

tiating for the balance of the loan capital from other sources, primarily German and Italian.

Basic elements of the Guinea project include development of the mine site at Sangaredi, 175 miles north of Conakry, Guinea's capital city. Included in the mining project is housing for 1,500 inhabitants at Sangaredi. Another major element of the project is the construction and equipping of a railway from Sangaredi to the port of Kamsar, 85 miles to the west on the Atlantic Ocean. Facilities for ore treatment, storage, and loading, as well as housing for 4,500 inhabitants will be built at Kamsar.

At the present time Guinea ranks seventh among the world's producers of bauxite; however, it is estimated that the country will rank second after completion of the project in early 1972. Development of the Sangaredi deposits will have a favorable impact on Guinea's foreign exchange earnings and general economic development.

An important aspect of the new project is the technical training to be provided by the seven aluminum companies investing in the venture. This training will be conducted by American and European technicians who will serve in Guinea, as well as through on-the-job training at the facilities of the participating firms.

Indonesia asks $500 million in 1969 foreign assistance

The Intergovernmental Group on Indonesia met in the Netherlands Oct. 21-23 to review Indonesia's aid requirements for 1969.

The Indonesian representative estimated his country's requirements for new commitments of foreign assistance for 1969 at $500 million for imports of food, raw materials and other commercial imports, as well as for projects and investment goods needed to rehabilitate the economy. This estimate, which was supported by the IMF and the World Bank, would enable Indonesia to sustain about the same level of imports in 1969 as in 1968.

Delegations of Australia, Belgium, France, the Federal Republic of Germany, Indonesia, Italy, Japan, Netherlands, United Kingdom and United States attended the meeting, along with observers from Austria, Canada, Denmark, Norway, New Zealand and Switzerland. International groups attending included the International Monetary Fund, World Bank, Asian Development Bank, United Nations Development Program, and the Organization for Economic Cooperation and Development.

Indonesia changes trade regulations to encourage exports, increase aid use

Measures taken to reduce export taxes, facilitate AID-financed imports, regulate goods imported with free foreign exchange

The Indonesian Government recently has taken a number of steps to encourage exports and insure efficient use of its foreign exchange availabilities.

The export tax of 15% of the export proceeds from the nine major "Group A" commodities (coffee, copra, diamonds, palm oil, palm kernels, pepper, rubber, tin and tobacco leaves) has been reduced to 5%, based on the f.o.b. net price, or "check" price set by the Government. The exporters of these commodities will continue to pay a 10% tax to the governments of the regions from which the goods are shipped, in the form of an exchange certificate known as an ADO. Hence Group A exporters will now be reimbursed for 85% of their export proceeds instead of the previous 75%.

Exporters of Group B products (all commodities except those in Group A and a small number of prohibited items) will continue to be reimbursed for 90% of their export proceeds, and to surrender 10% as a regional contribution.

To promote the use of special BE's (exchange certificates issued to utilize foreign aid funds) the Government had exempted imports made with this type of exchange from the prepayment of customs duties. On Sept. 20, additional measures were introduced to facilitate imports financed by special BE's issued under U.S. aid funds.

Importers using U.S. AID BE's are exempted from the payment of rupiah counterpart deposits, normally required when opening a letter of credit, until the good arrive in Indonesia. The U.S. AID BE is supplied to the importers against a guarantee issued by foreign exchange banks. When the goods arrive, full payment is required at the exchange rate effective on the day of the AID BE purchase.

A central bank decision, effective Nov. 1, now enables the Government's commercial and development banks to extend 3-year credits to qualified importers desiring to use U.S. AID BE to import capital goods (e.g., machinery and spare parts) to rehabilitate, improve, or build new industrial facilities. Annual interest rates may be as low as 8%.

Government banks authorized to evaluate the credit application are Units II, III, and IV of Bank Negara Indonesia, Bank Dagang Negara (State Commercial Bank), and Bapindo (Development Bank of Indonesia).

These provisions are expected to be of considerable help in expediting use of the $25 million AID loan to Indonesia. Use of the loan has been slow because importers have had to borrow at high interest rates to obtain funds to make the 100% deposit required when opening a letter of credit. Many importers were unwilling to pay the higher credit costs involved in buying from the more distant U.S. supplier.

New import regulations

In August the Indonesian Government also took several measures to regulate imports from Hong Kong and Singapore. Imports from these two areas must now be accompanied by surveyors' reports. Licenses were withdrawn from a large number of trading and shipping firms, following investigation to determine their involvement in illegal operations. BE exchange for imports from Hong Kong and Singapore is now transferable only after the arrival of the goods in Indonesian ports. Traders with Hong Kong and Singapore may still open letters of credit, however, by using the more expensive DP (complementary) foreign exchange market.

Effective Nov. 16, the Government introduced a measure designed to strengthen its ability to supervise goods imported with DP and free foreign exchange. Importers using DP or free exchange for imports valued at over $300 must apply to a foreign exchange bank for an import certificate, valid for three months.

While full details of the new procedures are not yet known, it is reported that the certificates will be transmitted by the approving foreign exchange bank directly to the customs to facilitate a check on the goods entering the country.

As of Oct. 31, the central bank's call rate for BE exchange was Rp. 326 per U.S. dollar while the curb rate for DP exchange was Rp. 470. The customs valuation rate, set at approximately the BE rate, was Rp. 320 per U.S. dollar. The more preferential rate granted tourists was Rp. 465 per U.S. dollar.

Three British firms want U.S. licenses to produce goods

Electrical, plastics, metal items, valves, machinery are subjects

Three British firms seek U.S. licensees to manufacture plastic and metal sections; paper converting machinery; new electrical products; equipment allied to elevator field; household plastic products; valves; control gear, instruments and electro-mechanical equipment. U.S. firms should write directly to the firms below for additional details.

- A British firm manufacturing metal sections, perforated metal and PVC extrusions and sheets for use in the appliance industry **is looking for additional items to manufacture under license.** The firm is seeking additional lines which could be either imported in their final state or semi-manufactured for further processing at its plant. Alternatively it would consider producing complete products under license. It is necessary that the items fit into the British company's present manufacturing facilities consisting mainly of power press and assembly work.

Write: Schock Mouldings Ltd., Thames View Works, New Road, Rainham, Essex, England. WTD.

- **A license to manufacture paper converting machinery associated with the flexible packaging industry** is sought by a British company. Currently the firm produces slitting and auxiliary paper converting machinery, pneumatic measuring instruments for paper mills, optical print scanners, and photo electric register control equipment. It already has a licensing arrangement with a U.S. company to manufacture automatic edge guiding equipment.

Write: Eldec (Bury) Ltd., Brookshaw Street, Bury, Lancashire. WTD.

- A well established British producer and distributor of electrical equipment **seeks licenses to manufacture newly developed products complementary to its current line.** The firm's products include power, phase shifting and continuously variable toroidal transformers, high voltage regulators, resistors, control devices using silicon controlled rectifiers and custom built equipment incorporating the above products.

Write: Zenith Electric Co., Ltd., Zenith Works, Villiers Rd., Willesden Green, London, N.W. 2. WTD.

Kenya interested in local manufacture of antibiotics

The Government of Kenya is interested in receiving proposals from U.S. pharmaceutical firms for the establishment of facilities to produce antibiotics in Kenya.

As part of a program to identify feasible projects in the pharmaceutical industry, the Kenyan Government has requested the United Nations Industrial Development Organization (UNIDO) to undertake an overall market survey. However, the Government has determined that the local manufacture of antibiotics should be seriously considered at this time.

To obtain further details, interested U.S. pharmaceutical companies should **write:** Ministry of Commerce and Industry, P.O. Box 30430, Nairobi, Kenya.

German firm wants license to make conveying systems

A license to manufacture sophisticated conveying systems for interior use in handling piece goods weighing up to approximately 175 pounds is sought by a German firm. Currently, the company produces conveying equipment for utilization by mail order houses, department stores and warehouses. It employs about 35.

Write: Wiens GMB Foerderanlagen, Postfach 344, 6710 Frankenthal, Germany. WTD.

French firm seeks license to produce related products

A French manufacturer of pharmaceutical preparations for human use in tablets, pills, capsules, powders and other forms seeks licenses to make related products. The firm is presently building a second plant which will enable it to increase the scope of its activities.

Write: Mr. G. Reverdy, Laboratoire de l'Anacidase, 10 Rue Georges-Clemenceau, 85-La Roche-sur-Yon, Vendee, France.

Austrian firm seeks license to make plastic products

An Austrian plastics producer seeks a collaborative arrangement with a U.S. firm to manufacture semi-finished and finished plastic products, other than consumer goods for export to EFTA and East European markets.

The Austrian concern is prepared to consider any type of agreement ranging from licensing to equity and management participation. As an initial step it would be willing to handle the U.S. firm's products on a distributorship basis.

The company, which is the only domestic producer of casein plastics, also manufactures PVC, polyethylene and other plastic materials.

The firm's facilities include a power plant and electric and metalworking shops.

Firms interested in obtaining additional information should **write:** Dr. Max Woess, Akalit Kunsthornwerke Ges.m.b.H., Feldstrasse 886, A-2345 Brunn am Gebirge, Austria.* WTD.

Investment Assistance

The licensing and joint-venture proposals listed in this section are published as an informational service for U.S. firms interested in overseas affiliations. Companies responding to these opportunities should be cognizant of the present mandatory investment regulations published in the Federal Register for Jan. 3, as amended.

To receive follow up assistance and general information about investment abroad telephone: 202-967-3786 or write: Office of International Investment, Department of Commerce (BIC-878), Washington, D.C. 20230. A (*) following the name of the foreign firm indicates that additional information is available from the above address.

WTD indicates that a World Trade Directory Report containing financial and business background information on the foreign firm is available for $2 from the Department of Commerce (BIC-924), Washington, D.C. 20230 or the nearest Department of Commerce Field Office.

World Trade Opportunities Continued through page 35

The firms and individuals in the following lists are interested in trade relations with U.S. businessmen. The commodities in which they have expressed interest are indicated by the numbers preceding the commodity classification. These numbers refer to the Standard Industrial Classification (SIC) Manual, which is available for $4.50 a copy from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Every effort is made to include only firms or individuals with good reputations. However, the Department of Commerce cannot be responsible for any trade relations.

The listing in INTERNATIONAL COMMERCE of opportunities to trade in specific commodities and technical data does not necessarily imply approval of their export by the U.S. Department of Commerce pursuant to the U.S. Export Control Act. For applicable export licensing regulations and policies, see the Comprehensive Export Schedule or consult the Bureau of International Commerce's Office of Export Control or any Department of Commerce Field Office.

- indicates that the trade opportunity represents a request for bids by a foreign government agency. A (★) following indicates that additional information may be borrowed by firms located in the U.S. from the Business and Defense Services Administration (BDSA), U.S. Department of Commerce, Washington, D.C. 20230; telephone numbers indicated. To avoid delay, requests for loan material should specify country and commodity.

★★ indicates opportunities obtained by U.S. trade missions to other countries. A (★) following these indicates that additional information may be obtained by writing the International Liaison and Trade Opportunities Staff, BDSA-541, U.S. Department of Commerce, Washington, D.C. 20230. The TM (trade mission) number is requested in correspondence. Requests for loan material should specify country and TM number.

WTD indicates that a World Trade Directory report is available on the foreign firm for which the trade opportunity is listed. These reports, indicating type of organization, sales territory, size of business, sales volume, trade and financial reputation, and other factors, are available for $2 each from the Bureau of International Commerce, BIC-924, U.S. Department of Commerce, Rm. 6059. Telephone: 202-967-4203. The date following the letters WTD refers to the date of issuance of the report. If WTD is in preparation, action will be completed on a priority basis upon receipt of request specifically identifying the trade opportunity involved.

Sales Leads for Exporters

Listed below are companies interested in buying U.S. products. Direct purchases are wanted unless a desire for an agency agreement is expressed.

011 Field crop farms

TAIWAN—Peas. Requests samples, price information. Heng Shin & Co., Ltd. (importer, exporter), 50 Nanking W. Rd., Taipei. WTD in preparation.

131 Crude petroleum

● **URUGUAY**—Uruguayan Government Refinery (ANCAP) requests bids for crude petroleum supplies for the annual supply up to 1 million cubic meters of crude oil for a four-year period, with a fifth year optional. Licitacion Publica No. (bid No.) 6400, Copy No. 141. Bid deadline Dec. 18 at 4 p.m. in ANCAP's main office at Calle Paysandu y Avenida Agraciada, Montevideo. Specifications obtainable from Administracion Nacional de Combustibles, Alcohol y Portland, Montevideo or Petroleum and Coal Division, BDSA-673, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone 202-967-2355).

149 Nonmetallic minerals

GERMANY—Uncut precious, semi-precious stones of American origin. Ludwig Mayer, Edelsteinschleiferei und -handlung (dealer, cutter), 658 Idar-Oberstein 1, P.O. Box 1514. WTD 10/68.

192 Ammunition, except for small arms

● **CEYLON**—The Superintendent of Police Depot is inviting bids for the supply of 2,000 tear gas shells and 2,000 hand grenades. Bid deadline Dec. 15.

Copies of tender are available to firms located in the U.S. from Consumer Products Division, BDSA, Room 4311, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-5345.)

195 Small arms

AFGHANISTAN—Shotguns (30 mm). H. Ghulam Farooq Behboodzada (importer, exporter, wholesaler, retailer), Serai Qomandan, Herat. WTD 10/68.

196 Small arms ammunition

AFGHANISTAN—Cartridges for 30 mm shotguns. H. Ghulam Farooq Behboodzada (importer, exporter, wholesaler, retailer), Serai Qomandan, Herat. WTD 10/68.

205 Bakery products

TURKEY—Is interested in machinery and equipment for baking cookies. Enver Bakioglu Isciler Caddesi 130/A, Box 411, Izmir. WTD 10/68.

208 Beverage industries

SCOTLAND—Wines, spirit novelties. Agency and/or direct purchase, with view to manufacturing under license. Cumbrae Supply Co. (manufacturer, exporter), 5 Erskine Sq., Hillington Estate, Glasgow, S.W.2. WTD 10/68.

209 Food preparations

TURKEY—Is interested in importing machinery and equipment for manufacturing potato chips. Enver Bakioglu. Isciler Caddesi 130/A, Box 411, Izmir. WTD 10/68.

221 Broad woven fabric mills, cotton

SWITZERLAND—Drapery fabrics all kinds; brocades, damasks; shirtings, other kinds of cotton-made cloth fabrics. Direct purchase and agency. Filtex AG (agent, exporter), Teufenstrasse 1, 9607 Mosnagn/SG. WTD in preparation.

222 Broad woven fabric mills, manmade fiber, silk

NETHERLANDS—Linings, manmade fiber, silk, rayon, for all types of men's, women's outer garments. Direct purchase and agency. E. Ongering & Zn. C.V. (sales agent), 354 Singel, Amsterdam. Attn: Mr. F. Munninghoff. WTD 12/67.

224 Narrow fabrics, other smallwares mills

TURKEY—Is interested in importing machinery and equipment for manufacturing packaging tape. Enver Bakioglu, Isciler Caddesi 130/A, Box 411, Izmir.

226 Dyeing, finishing textiles

TURKEY—Is interested in importing machinery and equipment for manufacturing

printed cotton labels. Enver Bakioglu, Isciler Caddesi 130/A, Box 411, Izmir.

228 Yarn, thread mills

GERMANY—Nylon, rayon yarn, Requests price quotations c.i.f. European ports or f.o.b. American ports. Conze & Colsman (manufacturer, wholesaler, exporter, importer), Postfach 229, 5602 Langenberg/Rhld. WTD 10/68.

232 Men's, youths', boys' furnishings, work clothing

AFGHANISTAN—Shorts (underwear); men's, youths', boys'; pants, men's, youths', boys'; jackets, overall and work. Afghan-Europe Transit and Forwarding Co. Ltd. (importer, freight forwarder), P.O. Box 314, Kabul. WTD 6/68.

MALAWI—Dress, sport, and knitted shirts, plain and stripes; pants, slacks; ties; underwear. Catalogs, £ sterling prices requested. Ramji Purshotam (wholesaler, retailer), P.O. Box 24, Lilongwe. WTD 10/68.

233 Women's, misses', juniors' outerwear

AFGHANISTAN—Ladies' skirts, blouses, shirts, dresses, jackets. Afghan-Europe Transit & Forwarding Co., Ltd. (importer, freight forwarder), P.O. Box 314, Kabul. WTD 6/68.

MALAWI—Dresses, costumes, outfits, slacks, for women, children. Catalogs and quotes in £ sterling requested. Ramji Purshotam (wholesaler, retailer), P.O. Box 24, Lilongwe. WTD 10/68.

236 Girls', children's, infants' outerwear

AFGHANISTAN—Girls', children's, infants' dresses, jackets, headwear. Afghan-Europe Transit & Forwarding Co., Ltd. (importer, freight forwarder), P.O. Box 314, Kabul. WTD 6/68.

239 Fabricated textile products

SWITZERLAND—Shower curtains for household, industrial use; novelties. Anton A. Heuberger (manufacturer), Spirella, Lindenstrasse 20, 8302 Kloten. WTD in preparation.

243 Millwork, veneer, plywood, prefabricated structural wood products

ENGLAND—Louver doors. Direct purchase and/or manufacturing under license. Taylor Brothers and Baker (wholesale distributors), 6 Welbeck St., London, W.1. WTD 10/68.

262 Paper mills, products

AFGHANISTAN—Kraft paper for packing fruits. The Afghan Fruit Processing Co., Ltd. (fruit processors), Pashtoon Market, Kabul. WTD 10/68.

264 Converted paper, paperboard products

AFGHANISTAN—Cellophane bags; oiled paper. The Afghan Fruit Processing Co., Ltd. (fruit processors), Pashtoon Market, Kabul. WTD 10/68.

MALAWI—Stationery, school, office: paper, envelopes, exercise books, writing equipment. Price lists in £ sterling requested. Ramji Purshotam (wholesaler, retailer), P.O. Box 24, Lilongwe. WTD 10/68.

SWEDEN—Papersacks for the cleaning branch. Direct purchase and agency. AB Gestrike Renhallning (service), 56 Drottninggatan, S-803 50 Gavle. WTD 10/68.

TURKEY—Is interested in importing machinery and equipment for manufacturing paper bags. Enver Bakioglu, Isciler Caddesi 130/A, Box 411, Izmir.

265 Paperboard containers, boxes

AFGHANISTAN—Paper board boxes for packaging fruits. The Afghan Fruit Processing Co., Ltd., (fruit processors), Pashtoon Market, Kabul. WTD 10/68.

277 Greeting card manufacturing

MALAWI—Greetings cards for all occasions. Catalogs, price lists in £ sterling requested. New Hardware Centre (Pvt) Ltd. (wholesaler, retailer), P.O. Box 543, Blantyre. WTD 9/68.

281 Industrial chemicals

ENGLAND—Industrial chemicals of all types, for sale to surface coating, plastics, pharmaceutical, cosmetic industries. Agency and/or direct purchase with view to manufacturing under license. Victor Blagden and Co. Ltd. (importer, exporter, distributor), Plantation House, Mincing Lane, London, E.C.3. WTD 10/68.

283 Drugs

AFGHANISTAN—Antibiotic preparations; vitamins. H. Ghulam Farooq Behboodzada (importer, exporter, wholesaler, retailer), Serai Qomandan, Herat. WTD 10/68.

284 Soap, detergents, cleaning preparations, perfumes, cosmetics

FRANCE—New types of scouring cleansers. Direct purchase and agency. Societe Generale des Cires Francaises (manufacturer), Rue Pierre Troubat, 03 Montlucon. WTD 10/68.

MALAWI—Floor and furniture polishes, waxes; oven cleaner; stove blacking. Catalogs, prices in £ sterling requested. New Hardware Centre (Pvt) Ltd. (wholesaler, retailer), P.O. Box 543, Blantyre. WTD 9/68.

SWITZERLAND—Soaps, detergents, waxes, polishes, all kinds; for household use. Direct purchase and agency. Himetco AG (exporter, distributor), 72, Blvd. St. Georges, 1205 Geneva. WTD in preparation.

287 Agricultural chemicals

UGANDA—Fertilizers, agricultural pesticides, other agricultural chemicals. Universal Farm Supplies (importer), P.O. Box 1800, Kampala. WTD 10/68.

289 Chemical products

AFGHANISTAN—Oil used for processing raisins (Sultan Oil). The Afghan Fruit Processing Co., Ltd. (fruit processors), Pashtoon Market, Kabul. WTD 10/68.

291 Petroleum refining

AFGHANISTAN—Lubricating oils. Haji Ghulam Siddiq Heravi (importer, exporter, wholesaler, retailer), Serai Qomandan, Herat. WTD 10/68.

Paraffin wax. The Afghan Fruit Processing Co., Ltd. (fruit processors), Pashtoon Market, Kabul. WTD 10/68.

Lubricating oils. Tejarat Khani Najaf Ali Rezai & Sons (exporter, importer, wholesaler), Serai Qomandan, Herat. WTD 10/68.

301 Tires, tubes

AFGHANISTAN—Tires for trucks, automobiles. Haji Ghulam Siddiq Heravi (importer, exporter, wholesaler, retailer), Serai Qomandan, Herat. WTD 10/68.

306 Fabricated rubber products

MALAWI—Toys, play-balls, soccer balls. Catalogs, prices in £ sterling requested. Ramji Purshotam (wholesaler, retailer), P.O. Box 24, Lilongwe. WTD 10/68.

307 Miscellaneous plastics products

● **BURMA**—Bids are requested for 200 phenol-formaldehyde hot stoved laminated impregnated cambric sheets by Vice Chairman, Public Works Corp., No. 60 Shwedagon Pagoda Road, Dagon P.O., Rangoon, before March 11.

Copies of Tender No. PP/9/EL/PWC/68-69 are available to firms located in the United States from the Chemicals Division, BDSA, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-3529).

● Bids are requested for 400 ebonite rods (phenol-formaldehyde rods hot stoved paper laminated) by Vice Chairman, Public Works Corp., No. 60 Shwedagon Pagoda Road, Dagon P.O., Rangoon, before Jan. 22.

Copies of Tender No. PP/11/EL/PWC/68-69 are available to firms located in the United States from the Chemicals Division, BDSA, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-3529).

NETHERLANDS—Plastic and/or PVC tubes, profiles for manufacture of windows, doors, curtain walls. Staalwerk Poke N.V. (manufacturer, distributor, exporter, importer), 108-110 Loo, or P.O. Box 32, Bergeijk (N. Br.) Attn: Mr. A. G. M. de Mul. WTD 10/68.

322 Glass, glassware

TURKEY—Is interested in importing machinery and equipment for manufacturing glass bottles. Enver Bakioglu, Isciler Caddesi 130/A, Box 411, Izmir. WTD 10/68.

326 Pottery, related products

AFGHANISTAN—Kitchen, table chinaware. H. Ghulam Farooq Behboodzada (importer, exporter, wholesaler, retailer), Serai Qomandan, Herat. WTD 10/68.

331 Steel mill products

● **BURMA**—Galvanized steel wire, binding, 200 long tons, soft, annealed, in coils of 112 lbs., tensile strength 20/32 tons per square inch, 85 tons in 16 gauge; 85 tons in 18 gauge and 30 tons in 20 gauge. Tender #110/T/CONST/PWC/68-69; bid deadline Jan. 13. Revolutionary Government of the Union of Burma, Public Works Corp., #60 Schwedagon Pagoda Rd., Rangoon. Specifications available from Iron and Steel Division, BDSA-669, U.S.

Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-2364.)

● Mosquito-proof wire netting, 500 rolls, 3′ by 100′ per roll, 16 mesh woven with 32 BWG steel wire and painted with dark green paint for anti-corrosion, rust proofing and appearance. Tender #108/T/CONST/PWC/68-69; bid deadline Dec. 30. Revolutionary Government of the Union of Burma, Public Works Corp., #60 Shwedagon Pagoda Rd., Rangoon. Specifications available from Iron and Steel Division, BDSA-669, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-2364).

● **IRAN**—Galvanized strand rope, eight items. Tender #47/1; bid deadline Dec. 7. Ports and Shipping Organization, 64 Sepah Avenue, Tehran.

335 Rolling, drawing and extruding of nonferrous metals

TURKEY—Is interested in importing machinery and equipment for the production of plain aluminum foil. Enver Bakioglu, Isciler Caddesi 130/A, Box 411, Izmir. WTD 10/68.

342 Cutlery, hand tools, general hardware

AFGHANISTAN—Builders' hardware. The Afghan Fruit Processing Co. Ltd. (fruit processors), Pashtoon Market, Kabul. WTD 10/68.

BRAZIL—Hand tools. Direct purchase and agency. Importadora Bloglas S.A. (importer, distributor), Travessa do Paco, 23 10° andar grupo 1005/6 Caixa Postal 745, Rio de Janeiro, GB. WTD 4/68.

● **BURMA**—The Myanma Export Import Corp. seeks bids on the supply of 10,000 hot pressed brass fanlight catches, 1,000 pairs of brass sash pivots and plates, and 2,000 cast iron sash pivots and plates.

Bid deadline is Dec. 9.

Tender documents are available from the Construction and Building Materials Division, BDSA-645, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-3602).

FRANCE—Hand tools of all categories; toolkits, small maintenance and multi-purpose equipment, including do-it-yourself articles for use principally by cabinet- and floor-makers; glaziers, painters; other artisan workers. Direct purchase and agency. Price lists, descriptive literature requested. Requests replies in French. Produits Chimiques du Midi (wholesaler, manufacturer), 47 Rue Viguerie; 31-Toulouse, Haute-Garonne. WTD in preparation.

MALAWI—Garden handtools. Illustrated catalogs, prices in £ sterling requested. New Hardware Center (Pvt.) Ltd. (wholesaler, retailer), P.O. Box 543, Blantyre. WTD 9/68.

SWITZERLAND—Hand tools, all kinds; garden, lawn sprinklers. Direct purchase and agency. Cuhat & Co. (wholesaler), Attn.: Mr. Sauthier. Todistrasse 65, P.O. Box 8039, Zurich. WTD 4/68.

UGANDA—Garden tools: forks; rakes; sickles; trowels; hoes; pruning tools; spades. Universal Farm Supplies (importer), P.O. Box 1800, Kampala. WTD 10/68.

343 Heating apparatus, plumbing fixtures

SWITZERLAND—Shower rods. Anton A. Heuberger (manufacturer), Spirella, Lindenstrasse 20, 8302 Kloten. WTD in preparation.

344 Fabricated structural metal products

ENGLAND—Louver doors. Direct purchase and/or manufacturing under license. Taylor Brothers and Baker (wholesale distributors), 6 Welbeck St., London, W.1. WTD 10/68.

349 Fabricated metal products

NETHERLANDS—Metal closing, clamping, other mechanisms for loose leaf binders. Import for application in own products which are marketed in Benelux countries. Esyeha N.V. (converter, importing distributor), P.O. Box 1027, The Hague, Attn: Mr. Ph. A. Hartog. WTD 9/67.

351 Engines, turbines

OKINAWA—Used outboard boat engines. New Pacific Enterprises (importer), GPO Box 314, Naha. WTD 10/67.

352 Farm machinery

AFGHANISTAN—Farm tractors, seed sprayers, plows, threshing, harvesting machines. Habibullah Nurzai Trading House (importer, exporter, wholesaler), Serai Nurzai, Darwazi Kosh, Herat. WTD 10/68.

Farm tractors, plows, threshers, seed sprayer, harvesting machines. Tejarat Khani Najaf Ali Rezai & Sons (exporter, importer, wholesaler), Serai Qomandan, Herat. WTD 10/68.

MALAWI—Peanut shelling machinery, hand operated. Catalog, price in £ sterling requested. Ramji Purshotam (wholesaler, retailer), P.O. Box 24, Lilongwe. WTD 10/68.

SWITZERLAND—Compost shredders, sludge disintegrators. Direct purchase and agency. Paul Schenk AG (importer, distributor), Attn: Mr. H. F. Stauffer, Schermen 44, 3063 Ittigen. WTD 10/68.

UGANDA—Agricultural hand sprayers; seeders; mowers; milking machines; cotton pickers, strippers; fertilizing machinery; grain grading; cattle feeding, watering equipment; reapers. Universal Farm Supplies (importer), P.O. Box 1800, Kampala. WTD 10/68.

353 Construction, mining, materials handling machinery, equipment

● **BOLIVIA**—Preliminary tender for design and construction of a shaft; a crushing plant; and a conveyor belt, or any part thereof, with installation of equipment, for Empresa Minera Corocoro, a property of the Corporacion Minera de Bolivia (COMIBOL). Available are: general conditions in Spanish with translation; invitation to preliminary tender in English; information and instructions to bidders in English; and two related drawings.★ (Telephone: 202-967-5566.)

GERMANY—Buckey trenchers; breaking drills for removing converter or blast furnace linings. Requests price quotations f.o.b. American ports or ex factory. Guenther G. Gierlichs, Bergbau- und Industriemaschinen (wholesaler, importer), 2 Moosweg, 5021 Grosskoenigsdorf. WTD 10/68.

● **MALAYSIA**—Twelve 4 wheel drive utility vehicles, diesel, 4 stroke, water cooled, not less than 134.0 cu. in.-60 hp engine. Maximum gross vehicle weight not less than 4500 lbs.; 14 agricultural tractors, 40-50 hp diesel engine, equipped with a variety of attachments; 2 crawler type draglines, 1 cu. yd. capacity, diesel 100 hp engine; 10 crawler type draglines, 3/4 cu. yd. capacity, diesel 65 hp engine; 3 crawler type draglines, 3/8 cu. yd. capacity, diesel 35 hp engine; 4 crawler type tractors with angledozers, diesel (225-300 flywheel) 185 drawbar hp; 4 motor graders, diesel 90-100 hp engine; requirement for adequate repair parts inventory stocked in Malaysia for above machinery.

Contract bid numbers M8 through M12. Bid deadlines Jan. 30 through Feb. 5. It is suggested tender documents and specifications for bidding be used as supplied by The Director, Drainage & Irrigation Division, Ministry of Agriculture & Cooperatives, Malaysia, Jalan Swettenham, Kuala Lumpur.

One copy of each bid available for inspection in Room 5117, GIE Division, BDSA, Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-5566.)

354 Metalworking machinery

BRAZIL—Power driven hand tools. Direct purchase and agency. Importadora Bloglas S.A. (importer, distributor), Travessa do Paco, 23 10° andar grupo 1005/6 Caixa Postal 745 Rio de Janeiro GB. WTD 4/68.

SWITZERLAND—Power hand tools. Direct purchase and agency. Cuhat & Co. (wholesaler), Attn: Mr. Sauthier, Todistrasse 65, P.O. Box 8039, Zurich. WTD 4/68.

Tools, fixtures, attachments, accessories for machine tools; power driven hand tools; novelties only. Direct purchase and agency. Schweiz. Werkzeug Industrie Gesellschaft (importer, distributor), Gebruder Levaillant, Viaduktstrasse 12, 4000 Basel. WTD in preparation.

355 Special industry machinery

AFGHANISTAN—Textile machinery. Afghan Wool Export Co. (exporter, importer, wholesaler), Jade Andarabi, Kabul. WTD 10/68.

NEPAL—Complete sugar plant with capacity of crushing 750-1000 tons sugarcane per day with distillery plant of 2,000 gal. capacity per day. Catalogs, quotations c.i.f. Calcutta requested. Shri Tara Sugar and General Industries (P) Ltd. (producer), 21/645 Dilli Bazar, Kathmandu. WTD in preparation.

SWITZERLAND—Stirrers and mixing machines for food, chemical, pharmaceutical industries. Direct purchase and agency. W. Wirth (importer, distributor), Maulbeerstr. 6, 4000 Basel 21. WTD 10/68.

TURKEY—Machinery and equipment for baking bread and cakes; cookies; producing plain aluminum foil; printed cotton labels; paper bags; glass bottles; potato chips; packaging tape. Enver Bakioglu (exporter), Isciler Caddesi 130/A, Box 411, Izmir. WTD 10/68.

356 General industrial machinery

AFGHANISTAN—Water pumps, diesel-powered, 2-8 in. diameter capable of drawing water from depths up to 60 meters. Habibullah Nurzai Trading House (importer, exporter, wholesaler), Serai Nurzai, Darwazi Kosh, Herat. WTD 10/68.

Machinery for packaging 13,000 tons of dried fruits per year. Afghan Wool Export Co. (exporter, importer, wholesaler), Jade Andarabi, Kabul. WTD 10/68.

SWITZERLAND—Corrosion resistant pumps, valves for chemical, pharmaceutical, food industries. Direct purchase and agency. W. Wirth (importer, distributor), Maulbeerstr. 6, 4000 Basel 21. WTD 10/68.

VENEZUELA—Fire extinguishing equipment. Requests replies in Spanish. Comercial Pariata, C.A. (importer, distributor), Puente Republica a Puente Anauco, Callejon Mosquera N° 10 y 12, Caracas. WTD 10/68.

357 Office, computing, accounting machines

BRAZIL—Check protectors; hand, electrical and electronic accounting and adding machines; card and roll punching machines; reels and tapes; punched, magnetic tape and microfilm splicing, adapting and correction kits; continuous form cutting machines (hand and electrical); any attachments, instruments and devices for operation, maintenance of electronic computer systems, specialized electronic office machines. J. Pantoja Equipamentos e Servicos (representative, importer), Rua Primeiro de Marco, 39 8° andar Rio de Janeiro ZC-00 GB. WTD 2/68.

Coin counters; coin separating machines. Direct purchase and agency. Companhia de Papeis F. Johnsson (importer, distributor), Rua Moncorvo Filho, 48 Caixa Postal 1837 Rio de Janeiro GB. WTD 4/68.

MALAWI—Typewriters, adding and calculating machines, hand operated cash registers, file cabinets. Catalogs, prices in £ sterling requested. Ramji Purshotam (wholesaler, retailer), P.O. Box 24, Lilongwe. WTD 10/68.

358 Service industry machines

AFGHANISTAN—Pressure cookers, commercial. Haji Ghulam Siddiq Heravi (importer, exporter, wholesaler, retailer), Serai Qomandan, Herat. WTD 10/68.

GERMANY—Coin operated dry cleaning, laundry machines, driers, detergent vending machines. Direct purchase and agency. P. & H. Brown, Waeschereibetriebe (laundry, dry cleaning services), 698 Wertheim a. Main, Mittlere Flur 17. WTD 8/68.

SWEDEN—Industrial cleaning machines, other equipment for cleaning branch. Direct purchase and agency. AB Gestrike Renhallning (service), 56 Drottninggatan, S-803 50 Gavle. WTD 10/68.

SWITZERLAND—Deep-freeze cases. Direct purchase and agency. Rolba AG (importer, distributor), Barengasse 29, 8039 Zurich. WTD in preparation.

362 Electrical industrial apparatus

ENGLAND—Portable arc welding machinery of motor generator type, 220 volt direct current drive motor, weighing not over 300 kilos, suitable for use by ships of over 10,000 tons. Quote c.i.f. price, U.K. port for batches of 50. Park-Stanton & Co. Ltd. (importer, exporter), 21 Thames Rd., Barking, Essex. WTD 7/68.

363 Household appliances

ETHIOPIA—Upholstery and rug cleaning machinery, portable. Requests catalogs, c.i.f. Djibouti port. Direct purchase and agency. Seyoum Araya (commission agent, importer), P.O. Box 1898, Addis Ababa. WTD 10/68.

MALAWI—Kerosene, electric refrigerators, cooking stoves, domestic. Catalogs, prices in £ sterling requested. Ramji Purshotam (wholesaler, retailer), P.O. Box 24, Lilongwe. WTD 10/68.

364 Electric lighting, wiring equipment

● **BURMA**—Supply of 3140-15-200 watt lamps; 250 mercury lamps and 3,000 indicator lamps. Tender Notice Nos. 2, 3, 4, 5 and 8/EL/PWC/68-69, bid deadlines Jan. 20-Mar. 4. The Revolutionary Government of the Union of Burma Public Works Corp. No. 60, Shwedagon Pagoda Rd., Rangoon.★ (Telephone: 202-967-5345.)

FRANCE—Technical lighting fixtures. Ouvard-Villars & Guilux (manufacturer, wholesaler), 65 Rue du Docteur Bauer, 93 St Ouen. WTD in preparation.

GERMANY—High frequency connectors for single and multiple pole requirements (series: BNC-C-N-HN-UHF); baseboard multi-outlet systems. Direct purchase and agency. Gustav Adler, Metallwarenfabrik (manufacturer, exporter), 753 Pforzheim, Guelichstrasse 10. WTD 10/68.

Demanding markets

As a U.S. producer selling in our domestic economy, you already are a supplier to the most demanding market in the world. Moving into the foreign market, you will benefit from the know-how you have acquired from previous experience, just as you will benefit from the assets of good judgment, tact, aggressiveness, and business acumen.

In this sense, it is neither more difficult nor easier to achieve success in selling overseas than it is to succeed in selling in this country. Success in export requires careful evaluation of potential markets for your product; willingness to make a long-term commitment, if necessary; and some adaptability to foreign techniques in marketing and servicing.

LAWRENCE C. McQUADE, Assistant Secretary for Domestic and International Business, in "Introductory Guide to Exporting," published April 1968 by U.S. Department of Commerce

365 Radio, television receiving sets

ITALY—Television receiving sets including unassembled sets to be assembled in Italy. Direct purchase and agency. Montagni, Mauro (importer, wholesaler, retailer), 44 Viale Cadorna, I 50129 Florence. WTD 10/68.

367 Electronic components, accessories

BRAZIL—Radio transmitting, television receiving tubes. Ormet S.A. Comercial Importadora (importer, wholesaler), Praca Pio X, 98 7° andar sala 708 Rio de Janeiro ZC-00 GB. WTD 10/68.

SWITZERLAND—Precision machinery, equipment for manufacture of printed circuits, other similar electronic components. Direct purchase and agency. Oswald E. Boll (importer, agent), Seefeldstrasse 45, 8032 Zurich. WTD 7/68.

369 Electrical machinery, equipment, supplies

AFGHANISTAN—Storage batteries, 6-12 volt. Haji Ghulam Siddiq Heravi (importer, exporter, wholesaler, retailer), Serai Qomandan, Herat. WTD 10/68.

371 Motor vehicles, motor vehicle equipment

AFGHANISTAN—Automotive parts, accessories. Tejarat Khani Najaf Ali Rezai (exporter, importer, wholesaler), Serai Qomandan, Herat. WTD 10/68.

Automotive parts, accessories. H. Ghulam Farooq Behboodzada (importer, exporter, wholesaler, retailer), Serai Qomandan, Herat. WTD 10/68.

Auto parts, accessories. Haji Ghulam Siddiq Heravi (importer, exporter, wholesaler, retailer), Serai Qomandan, Herat. WTD 10/68.

384 Surgical, medical, dental instruments

● **MALAYSIA**—Supply of 180,000 bandages, white open wove, 2" x 6 yds.; 240,000 bandages, white open wove, 3" x 6 yds.; 60,000 bandages, white open wove, 4" x 6 yds. Tender No. Schedule U, bid deadline Dec. 2. Estimated value $200,000. Permanent Secretary, Ministry of Health, Jalan Young, Kuala Lumpur. Specifications available on loan basis from the Scientific and Business Equipment Division, BDSA-653, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-2939.)

393 Musical instruments, parts

MALAWI—Folk guitars, whistles, drums, harmonicas, accordions, brass instruments. Illustrated catalogs, prices in £ sterling requested. Ramji Purshotam (wholesaler, retailer), P.O. Box 24, Lilongwe. WTD 10/68.

394 Toys, amusement, sporting goods

MALAWI—Toys, games. Illustrated catalogs, prices in £ sterling requested. New Hardware Centre (Pvt) Ltd. (wholesaler, retailer), P.O. Box 543, Blantyre. WTD 9/68.

SWITZERLAND—Technical games; construction sets; mechanical games, toys and trains; automobiles, aircraft. Agency and direct purchase. Fulgurex SA (importer, distributor), Avenue de Rumine 33, 1000 Lausanne. WTD 1/68.

399 Manufacturing industries

AFGHANISTAN—Linoleum floor covering. Afghan Wool Export Co. (exporter, importer, wholesaler), Jade Andarabi, Kabul. WTD 10/68.

593 Second hand stores

AFGHANISTAN—Used clothing. H. Ghulam Farooq Behboodzada (importer, exporter, wholesaler, retailer), Serai Qomandan, Herat. WTD 10/68.

Used clothing. Haji Ghulam Siddiq Heravi (importer, exporter, wholesaler, retailer), Serai Qomandan, Herat. WTD 10/68.

MALAWI—Regular supplies of second hand clothing for men: suits, jackets, topcoats, lumber jackets. Ramji Purshotam (wholesaler, retailer), P.O. Box 24, Lilongwe. WTD 10/68.

Malaysia issues tender on school workshop needs

The Permanent Secretary, Ministry of Education, Technical Education Division, 60 Gombak Lane, Kuala Lumpur, has issued Tender No. L.S.S. File No. KP(PT)A/007/1/3/3 for a supply of metal and woodwork equipment needed in industrial arts workshops. Bid deadline is Dec. 2.

Included in equipment desired are: 85 circular saws with 10" dia. blades, 107 scroll saws, 87 wood lathes with 10" swing and 36" between centers, 119 orbital sanders, 119 belt and disc sanders, 82 double-ended 8" bench grinders, 170 utility type ½" bench drills, 185 polishing heads with enclosed motor, 243 metal lathes, with 6" swing over saddle and 15" between centers, 85 sheet metal squaring shears with foot operated treadle, 118 hand operated 24" box and pan brake, 120 power hacksaws, 120 bar folders, 120 slip roll formers, 120 turning or bending machines—hand operated, 199 portable ⅜" electric drills, 690 soldering irons and 120 power supply units.

Copies of tender documents are available from the issuing authority for M$6.00 ($1.97) or on a short-term loan basis to firms located in the U.S. from the Metalworking Equipment Division, BDSA-649, Room 4204, U.S. Department of Commerce, Washington, D.C. 20230.★ Telephone: 202-967-2723.

Ecuador calls for bids on dam construction

The Government of Ecuador is seeking tenders on the construction of an earth dam with a maximum height of 40 meters, with outer asphalt waterproofing, upstream and control rake. The project also includes an intake tunnel with a maximum passage of three meters and reinforced concrete sheathing. Bid deadline is Dec. 18.

Copies of the specifications for the project (Licitacion No. 1 Construccion de la presa Poza Honda sobre el Rio Portoviejo) and instructions for submitting bids are available upon payment of 3,000 sucres (approx. $130.43) from Centro de Rehabilitacion de Manabi, Comision Especial de Poza Honda, Portoviejo, Manabi, Ecuador.

Mexico issues notice to construction bidders

Mexico's Secretariat of Public Works invites the registration of foreign firms to participate in a major highway construction program involving work in various parts of Mexico. Registration deadline is Dec. 10.

The project, to be financed by the International Bank for Reconstruction and Development, includes construction of roads, terraces, and drainage systems covering a total of 1,768 miles at an estimated cost of $24.48 million.

Further information and forms are available from C. Secretario de Obras Publicas, Boulevard Xola Y Ave. Universidad, Mexico 12, D.F.

Sales Representation

The firms listed below are interested in representing U.S. firms in the areas indicated. Exclusive distributorship for these commodities is wanted only if specified.

202 Dairy products

PAKISTAN—Dry powder milk. Metropolitan Trading Co. (importer, wholesaler, agent, exporter, manufacturer), M. A. Jinnah Rd., Dost Bldg. (1st Floor), P.O. Box 106, Chittagong. WTD 5/68.

209 Food preparations

PAKISTAN—Soybean oil. Metropolitan Trading Co. (importer, wholesaler, agent, manufacturer, exporter), M. A. Jinnah Rd., Dost Bldg. (1st Floor), P.O. Box 106, Chittagong. WTD 5/68.

222 Broad woven fabric mills, manmade fiber, silk

NEW ZEALAND—Polypropylene broad woven fabrics for use as carpet backing. National Mortgage and Agency Co. of New Zealand Ltd. (manufacturers' representative), 57 Vogel St., P.O. Box 930, Dunedin. WTD in preparation.

224 Narrow fabrics, other smallware mills

SWITZERLAND—Fabrics made of silk, cotton, wool, manmade fibers for manufacture of women's clothing. Leon Levy (agent), Kreuzbuhlstr. 1, 8008 Zurich. WTD in preparation.

229 Textile goods

NETHERLANDS—Nonwoven textiles for interlining of garments; interlining fabrics which can be laminated by application of heat for garment, handbag, suitcase industries; artificial leather for suitcase, handbag, shoe industries; fabrics for tents. N.V. Euroflex (importer), 16 J. van Diesstraat, Amersfoort. WTD 10/68.

261 Pulp mills, products

ITALY—Sulfate and sulfite pulp, both bleached, unbleached. F. Marzotto-Rappresentanze Cartiere (sales agent), 26 Borgo degli Albizi, I 50122 Florence. WTD 3/68.

NETHERLANDS—Sulfate and sulfite bleached, semibleached and unbleached wood pulp for sale to paper and rayon manufacturers, manufacturers of other viscose products. Exclusive agency representation for Benelux countries, W. Germany, Italy, France required. Pulpchemie N.V. (Attn: Mr. B. Ijssennagger) (sales agent, wholesaler, exporter), P.O. Box 7040, Amsterdam. WTD 6/67.

263 Paperboard mills, products

NETHERLANDS—Kraftliner. Exclusive representation. Must be competitive with European prices. L. M. Petit (sales agent), 60 Churchill-laan, Haarlem. WTD 6/67.

264 Converted paper, paperboard products

NETHERLANDS—Printing paper, gift wrapping paper, paper specialties. Exclusive representation. Must be competitive with European prices. L. M. Petit (sales agent), 60 Churchill-laan, Haarlem. WTD 6/67.

Desk pads, gift wrappers, loose leaf fillers, memorandum books, notebooks, stationery, writing paper, envelopes, boxed sets, writing tablets. Exclusive representation. Esveha N.V. (converter, distributor), P.O. Box 1027, The Hague. Attn: Mr. Ph. A. Hartog. WTD 9/67.

THAILAND—Office supplies, stationery. Catalogs, price information requested. J. T. Trading (importer, commission agent), 37/2 North Sathorn Rd., Behind USSR Embassy, Bangkok. WTD 11/67.

275 Commercial printing

NETHERLANDS—Business forms, circulars, labels, posters, visiting cards, transfers, greeting cards. Exclusive representation for Benelux countries. Esveha N.V. (converter, importing distributor), P.O. Box 1027, The Hague. Attn: Mr. Ph. A. Hartog. WTD 9/67.

278 Bookbinding industries

NETHERLANDS—Account books, albums, charts, diaries, inventory blankbooks, ledgers, loose leaf devices and binders, loose leaf forms and fillers, memorandum books, receipt books, record albums, sample books, scrapbooks. Representation for Benelux countries. Esveha N.V. (converter, importing distributor), P.O. Box 1027, The Hague. Attn: Mr. Ph. A. Hartog. WTD 9/67.

Late Leads—Information received too late to be of value to bidders is published because many readers will find it of value in follow-up campaigns to sell complementary products and subsidiary services. Sometimes a cable to an agent on the scene will result in tie-in sales.

281 Industrial chemicals

BRAZIL—Piperazine salts; potassium silicate Fonte Empresa Comercial e Industrial de Materias Primas S.A. (importer, distributor), Rua do Carmo, 6 7° andar Caixa Postal 1513 Rio de Janeiro GB. WTD 8/68.

ENGLAND—Barium chemicals. Facilities available for receiving material in bulk, packing into drums or bags before redistribution. Barium Chemicals Ltd. (manufacturer), Widnes, Lancashire. WTD 10/68.

NETHERLANDS—Inorganic, organic chemicals in bulk for paper, pulp, chemical, textile industries. Exclusive agency representation for Benelux countries, W. Germany, Italy, France, Norway, Sweden, Finland required. Pulpchemie N.V. (Attn: Mr. B. Ijssennagger) (sales agent, wholesaler, exporter), P.O. Box 7040. Amsterdam. WTD 6/67.

Raw materials for paint, varnish industries; high quality pigments, binding agents, other specialties requested. Exclusive representation for Benelux required. N.V. Verkoopmaatschappij "Het Hart" en "De Zwaan" (importer, manufacturer), v/h Adriaan Honig, 60 Verrijn Stuartweg, Diemen. WTD 5/67.

Advanced and sophisticated chemical raw materials such as lacquer resins, soybean leci-

thin, melamine for all industries including rubber, cosmetic, plastic, printing ink sectors. Ingro N.V. (importer, wholesaler), P.O. Box 31, Voorschoten. Attn: Mr. D. C. J. van Barneveld. WTD 2/67.

PAKISTAN—Industrial organic, inorganic chemicals. Khan Trading Corp. (indent agent), 82 Siddheswari Rd., P.O. Box 910, Dacca-2. WTD 9/68.

282 Synthetic materials

BRAZIL—Melamine resin. Fonte Empresa Comercial e Industrial de Materias Primas S.A. (importer, distributor), Rua do Carmo, 6 7° andar Caixa Postal 1513 Rio de Janeiro GB. WTD 8/68.

283 Drugs

BRAZIL—Vitamin A; vitamin B; choline. Fonte Empresa Comercial e Industrial de Materias Primas S.A. (importer, distributor), Rua do Carmo, 6 7° andar Caixa Postal 1513 Rio de Janeiro GB. WTD 8/68.

PAKISTAN—Medicinal products, pharmaceutical preparations, vitamins, nutrients. Unique Enterprises (importer, exporter, wholesaler, agent), 9/H Motijheel Commercial Area, "Akbari House", 3rd Floor, Dacca-2. WTD 7/68.

285 Paints, varnishes, lacquers, enamels

SWITZERLAND—Anti-corrosive paints, compounds for building trade. Corro Stop AG (manufacturer, distributor), Chem. Techn. Produkte, Schurbungertweg 16, 8302 Kloten. WTD in preparation.

286 Gum, wood chemicals

BRAZIL—Tall oil; gum rosin. Fonte Empresa Comercial e Industrial de Materias Primas S.A. (importer, distributor), Rua do Carmo, 6 7° andar Caixa Postal 1513 Rio de Janeiro GB. WTD 8/68.

287 Agricultural chemicals

PAKISTAN—All kinds of agricultural chemicals including triple-superphosphate, muriate of potash, ammonium sulphate, insecticide, pesticide, fungicides. Khan Trading Corp. (indent agent) 82 Siddheswari Rd., P.O. Box 910, Dacca-2. WTD 9/68.

Agricultural pesticides, insecticides, fertilizers. Dacca Enterprise Ltd. (indent agent), Malek Mansion (5th Floor), 128 Motijheel Commercial Area, Dacca-2. WTD 8/68.

Agricultural chemicals including fertilizers, insecticides, pesticides. Unique Enterprises (importer, exporter, wholesaler, agent), 9/H Motijheel Commercial Area, Akbari House, 3rd Floor, Dacca-2. WTD 7/68.

307 Plastics products

NETHERLANDS—All types of road marking materials. Exclusive distributorship. Keerkring N.V. (importer), Handelmaatschappij De, 10 Eisenhowerlaan, Utrecht. WTD 10/68.

331 Steel mill products

ECUADOR—Tinplate sheets. Requests replies in Spanish. Importadora "Los Andes" Cia. Ltda. (importer, distributor), Mejia 105, casilla 5798, Guayaquil. WTD in preparation.

333 Primary smelting, refining of nonferrous metals

BRAZIL—Cadmium oxide. Fonte Empresa Comercial e Industrial de Materias Primas S.A. (importer, distributor), Rua do Carmo, 6 7° andar Caixa Postal 1513 Rio de Janeiro GB. WTD 8/68.

344 Fabricated structural metal products

AUSTRALIA—Fabricated metal products such as specialized sheet metal panels. Pressed Metal Corp. Ltd. (manufacturer, distributor), Cosgrove Rd., P.O. Box 41, Enfield, N.S.W. 2136. WTD 10/68.

349 Fabricated metal products

ITALY—Valves, valves operators for processing industries, pipelines. Fluidel di Dott. Ing. Giovanni Icardi (representative), Via Canonica 20, 20124 Milano. WTD 10/68.

352 Farm machinery

PAKISTAN—Wheel tractors, sprayers, dusters, seeding, planting and fertilizing machinery; plows, listers, harrows, rollers, harvesting, haying machinery. K. A. Khan & Sons (importer, indent agent), 9/1 Motijheel Commercial Area, G.P.O. Box No. 892, Dacca-2. WTD 10/68.

Agricultural sprayers. Metropolitan Trading Co. (importer, wholesaler, agent, manufacturer, exporter), M. A. Jinnah Rd., Dost Bldg. (1st Floor), P.O. Box 106, Chittagong. WTD 5/68.

Wheel tractors; planting, seeding and fertilizing machinery; harvesting and haying machinery; plows, listers, harrows, rollers, pulverizers, stalk cutters. Dacca Enterprise Ltd. (indent agent), Malek Mansion (5th Floor), 128 Motijheel Commercial Area, Dacca-2. WTD 8/68.

353 Construction, mining, materials handling machinery, equipment

FRANCE—Concrete grouting equipment, vibrators, pneumatic tools, related light and medium duty machinery for utilization in masonry work and by building contractors. Agency with warehousing, maintenance services. Catalogs requested. Requests replies in French. Cimet (Ets.) (dealer), 38 Rue Giacomo-Puccini; 31- Toulouse, Haute-Garonne. WTD in preparation.

IRELAND—Materials handling equipment; heavy earthmoving, road making equipment. McNeill (Ireland) Ltd. (importing distributor), Collinstown Cross, Cloghran, Co. Dublin WTD 10/68.

NETHERLANDS—Drilling equipment, accessories for use in oil, gas fields. Exclusive representation. Technisch Adviesbureau Blommers (importing distributor), P.O. Box 8038, The Hague. Attn: Mr. A. H. Blommers. WTD 3/68.

354 Metalworking machinery

AUSTRALIA—Tool, die equipment. Pressed Metal Corp. Ltd. (manufacturer, distributor), Cosgrove Road, P.O. Box 41, Enfield, N.S.W. 2136. WTD 10/68.

355 Special industry machinery

NETHERLANDS—Weighing, filling machinery, sealing machines, screw cap closing machinery. Representations for Europe requested. N.V. Koop Lenstra (manufacturer, importer, exporter), 2-1 Derde Broekdijk, P.O. Box 33, Aalten. WTD 10/67.

356 General industrial machinery

PAKISTAN—Low lift pumps for irrigation. Metropolitan Trading Co. (importer, wholesaler, agent, manufacturer, exporter), M. A. Jinnah Rd., Dost Bldg. (1st Floor), P.O. Box 106 Chittagong. WTD 5/68.

SWITZERLAND—Ventilation equipment, accessories; fans for industrial, commercial use. Hess & Cie. (manufacturer, distributor), Pilgersteg, 8630 Ruti/ZH. WTD in preparation.

THAILAND—Bag, pouch closing and sealing machines. C.i.f. prices, catalogs requested. J. T. Trading (importer, commission agent), 37/2 North Sathorn Rd., Behind USSR Embassy, Bangkok. WTD 11/67.

357 Office, computing, accounting machines

SWITZERLAND—Conventional and electronic data processing machines; disc packs

U.S. DEPARTMENT OF COMMERCE—FIELD OFFICES

ALBUQUERQUE, N. MEX., 87101, U.S. Courthouse. Area Code 505 Tel. 843-2386.

ANCHORAGE, ALASKA, 99501, 306 Loussac-Sogn Bldg. Area Code 907 Tel. 272-6331.

ATLANTA, GA., 30303, 4th Floor Home Savings Bldg., 75 Forsyth St. N.W. Area Code 404 Tel. 526-6000.

BALTIMORE, MD., 21202, 305 U.S. Customhouse, Gay and Lombard Sts. Area Code 301 Tel. 962-3560.

BIRMINGHAM, ALA., 35205, Suite 200-201, 908 S. 20th St. Area Code 205 Tel. 325-3327.

BOSTON, MASS., 02203, Room 510, John Fitzgerald Kennedy Federal Bldg. Area Code 617 Tel. 223-2312.

BUFFALO, N.Y., 14203, 304 Federal Bldg., 117 Ellicott St. Area Code 716 Tel. 842-3208.

CHARLESTON, S.C., 29403, Federal Bldg., Suite 631, 334 Meeting St. Area Code 803 Tel. 577-4171.

CHARLESTON, W. VA., 25301, 3002 New Federal Office Bldg., 500 Quarrier St. Area Code 304 Tel. 343-6196.

CHEYENNE, WYO., 82001, 6022 Federal Bldg., 2120 Capitol Ave. Code 307 Tel. 634-5920.

CHICAGO, ILL., 60604, 1486 New Federal Bldg., 219 South Dearborn St. Area Code 312 Tel. 353-4400.

CINCINNATI, OHIO, 45202, 8028 Federal Office Bldg., 550 Main St. Area Code 513 Tel. 684-2944.

CLEVELAND, OHIO, 44114, Room 600, 666 Euclid Ave. Area Code 216 Tel. 522-4750.

DALLAS, TEX., 75202, Room 1200, 1114 Commerce St. Area Code 214 Tel. 749-3287.

DENVER, COLO., 80202, 16419 Federal Bldg., 20th and Stout Sts. Area Code 303 Tel. 297-3246.

DES MOINES, IOWA, 50309, 609 Federal Bldg., 210 Walnut St. Area Code 515 Tel. 284-4222.

DETROIT, MICH., 48226, 445 Federal Bldg. Area Code 313 Tel. 226-6088.

GREENSBORO, N.C., 27402, 258 Federal Bldg., W. Market St. P.O. Box 1950. Area Code 919 Tel. 273-9111.

HARTFORD, CONN., 06103, 18 Asylum St. Area Code 203 Tel. 244-3530.

HONOLULU, HAWAII, 96813, 286 Alexander Young Bldg., 1015 Bishop St. Tel. 588-977.

HOUSTON, TEX., 77002, 5102 Federal Bldg., 515 Rusk Ave. Area Code 713 Tel. 228-0611.

JACKSONVILLE, FLA., 32202, P.O. Box 35087, 400 W. Bay St. Area Code 904 Tel. 791-2796.

KANSAS CITY, MO., 64106, Room 2011, 911 Walnut St. Area Code 816 Tel. 374-3141.

LOS ANGELES, CALIF., 90015, Room 450, Western Pacific Bldg., 1031 S. Broadway. Area Code 213 Tel. 688-2833.

MEMPHIS, TENN., 38103, 710 Home Federal Bldg., 147 Jefferson Ave. Area Code 901 Tel. 534-3214.

MIAMI, FLA., 33130, Rm. 821, City National Bank Bldg., 25 W. Flagler St. Area Code 305 Tel. 350-5267.

MILWAUKEE, WIS., 53203, Straus Bldg., 238 W. Wisconsin Ave. Area Code 414 Tel. 272-8600.

MINNEAPOLIS, MINN., 55401, 306 Federal Bldg., 110 S. Fourth St. Area Code 612 Tel. 334-2131.

NEW ORLEANS, LA., 70130, 909 Federal Office Bldg., S., 610 South St. Area Code 504 Tel. 527-6546.

NEW YORK, N.Y., 10007, 41st Floor, Federal Office Bldg., 26 Federal Plaza, Foley Sq. Area Code 212 Tel. 264-0634.

PHILADELPHIA, PA., 19107, Jefferson Bldg., 1015 Chestnut St. Area Code 215 Tel. 597-2850.

PHOENIX, ARIZ., 85025, 5413 New Federal Bldg., 230 N. First Ave. Area Code 602 Tel. 261-3285.

PITTSBURGH, PA., 15222, 2201 Federal Bldg., 1000 Liberty Ave. Area Code 412 Tel. 644-2850.

PORTLAND, OREG., 97204, 217 Old U.S. Courthouse, 520 S.W. Morrison St. Area Code 503 Tel. 226-3361.

RENO, NEV., 89502, 300B Federal Bldg., 300 South St. Area Code 702 Tel. 784-5203.

RICHMOND, VA., 23240, 2105 Federal Bldg., 400 N. 8th St. Area Code 703 Tel. 649-3611.

ST. LOUIS, MO., 63103, 2511 Federal Bldg., 1520 Market St. Area Code 314 Tel. 622-4243.

SALT LAKE CITY, UTAH, 84111, 3235 Federal Bldg., 125 S. State St. Area Code 801 Tel. 524-5116.

SAN FRANCISCO, CALIF., 94102, Federal Bldg., Box 36013, 450 Golden Gate Ave. Area Code 415 Tel. 556-5864.

SAN JUAN, P.R., 00902, Room 190, Post Office Bldg. Phone 723-4640.

SAVANNAH, GA., 31402, 235 U.S. Courthouse and Post Office Bldg., 125-29 Bull St. Area Code 912 Tel. 232-4321.

SEATTLE, WASH., 98104, 8021 Federal Office Bldg., 909 First Ave. Area Code 206 Tel. 583-5615.

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"Introductory Guide to Exporting," published April 1968 by U.S. Department of Commerce

for electronic data processing machines. Organisation Fehr (agent, distributor), Klosbachstrasse 110, 8030 Zurich. WTD 10/68.

358 Service industry machines

SWITZERLAND—Air conditioning units, equipment for domestic, industrial use. Hess & Cie (manufacturer, distributor), Pilgersteg, 8630 Ruti/ZH. WTD in preparation.

361 Electric transmission, distributing equipment

PAKISTAN—Transformers, switchgears. K. A. Khan & Sons (importer, indent agent), 9/1 Motijheel Commercial Area, G.P.O. Box No. 892, Dacca-2. WTD 10/68.

371 Motor vehicles, motor vehicle equipment

PAKISTAN—Motor vehicles including passenger cars, buses. Unique Enterprises (importer, exporter, wholesaler, agent), 9/H Motijheel Commercial Area, Akbari House, 3rd Floor, Dacca-2. WTD 7/68.

375 Motorcycles, bicycles, parts

PAKISTAN—Bicycles, bicycle parts. The Crescent Cycle & Motor Co. (importer, wholesaler, retailer), 161 Nawabpur Rd., Dacca. WTD 10/68.

381 Engineering laboratory, scientific, research instruments

PAKISTAN—Laboratory, scientific instruments for educational, research institutions. K. A. Khan & Sons (importer, indent agent), 9/1 Motijheel Commercial Area, G.P.O. Box No. 892, Dacca-2. WTD 10/68.

382 Instruments for measuring, controlling, indicating physical characteristics

NETHERLANDS—Process analyzers for oil, petrochemical, food industry. Exclusive representation for Benelux countries. Technisch Adviesbureau Blommers (importing distributor), P.O. Box 8038, The Hague. Attn: Mr. A. H. Blommers. WTD 3/68.

383 Optical instruments

PAKISTAN—Optical instruments. Khan Trading Corp. (indent agent), 82 Siddheswari Rd., P.O. Box 910, Dacca-2. WTD 9/68.

384 Medical supplies

NETHERLANDS—Disposable medical supplies for use in hospitals such as syringes, all types of cannulas, catheters. Exclusive agency. Beijst Medische Producten; L.M. (importer), 10 Minervaplein, Amsterdam. WTD 10/68.

394 Toys, amusement, sporting goods

THAILAND—Complete line of golf equipment. Requests c.i.f. Bangkok prices, catalogs. J. T. Trading (importer, commission agent), 37/2 North Sathorn Rd., Behind USSR Embassy, Bangkok. WTD 11/67.

Pakistan seeks bids for office, photography, electronic items

Pakistan is offering a tender for one each of the following: electric typewriter; photomic camera; color projector; tape recorder, record player; electric calculating machine; lettering set; poise lamp; also accessories with above.

The tender number is S-11/53/68-69/IDA, and the bid deadline is Dec. 14. Bids should be submitted to the Directorate of Supply, Government of East Pakistan, 48 Motijheel Commercial Area, Dacca 2, East Pakistan. Specifications are available on a loan basis from the Scientific and Business Equipment Div., BDSA-653, Department of Commerce, Wash., D.C. 20230.★ Telephone: 202-967-2939.

Greece invites bids to build major tunnel

The Greek Ministry of Public Works has issued international tenders for the construction of a tunnel at Kithairon for bringing water to Athens from Mornos River. Budget appropriations for the Kithairon tunnel project amount to 195 million drachmas or $6.5 million.

Eligible to participate are 1. local public works contractors, 2. U.S. and other non-Greek contractors that would be found as competent from technical and financial standpoints to perform projects of a similar nature and of equal importance, 3. joint ventures of eligible local and foreign firms, 4. joint ventures of eligible local firms.

All these categories will be admitted as bidders provided that they agree and undertake to finance 25% of the drachmas outlay of the project, repayable in five years at 6% under the guarantee of the Greek Government.

In addition to qualification and other documents, bidders must deposit a participation bond, in the form of a letter of bank guarantee, for 400,000 drachmas ($13,333), which will be released when the contract is awarded. The contractor will then deposit a performance bond for 5% of the value of his bid.

Bid deadline is Jan. 8, 1969. Criterion for the awarding of the contracts will be the amount of the bid in conjunction with the amount of foreign exchange outlays. Offers must be based on a cost-plus (15% for overhead and profits) basis.

Sets of tender documents can be obtained at $5 per copy from the issuing agency: Ministry of Public Works, Hydraulic Works Service, Capital Area Water Supply Directorate (05), 7 Themistocleous Street, Athens, Greece.

Drawings (12 per set) are obtainable from a private photoprinting shop at $5 per set. Interested parties should write to the firm of Marangos-Koutsoumaris, 18 Aghiou Constantinou Street, Athens, Greece.

One set of tender documents is available for office review only in Room 4813, U.S. Department of Commerce, Washington, D.C. 20230.★ Telephone: 202-967-3602.

Future construction summary available

A quarterly summary of future construction projects abroad, contract award stories and significant foreign government tenders published in INTERNATIONAL COMMERCE and *Commerce Business Daily* during July, August and September 1968, is available to U.S. firms from the Department of Commerce, BDSA-541, International Liaison and Trade Opportunities Staff, Washington, D.C. 20230. A pre-addressed mailing label should be included with the request to facilitate processing and mailing.

The summary, which may also be reviewed at any of the 42 Commerce Field Offices, alphabetically lists project summaries by country in five distinct classes: airport, seaport, railroad and highway projects; hydro and thermal electric plant and irrigation projects; hospital, hotel and housing projects; industrial plant projects; and comprehensive development projects. Whenever possible, names of contractors and responsible agencies are cited, as well as original publication dates.

A limited number of copies of the second quarter 1968 summary are also available upon request and will be distributed on a first-come basis.

Leads for Importers

Commodities are offered direct unless specified

012 Fruit, tree nuts, vegetable farms

AFGHANISTAN—Afghan pistachio nuts, almonds, pine nuts, walnuts. The Afghan Fruit Processing Co. Ltd. (fruit processors), Pashtoon Market, Kabul. WTD 10/68.

Pistachios, open mouth or shelled, packaged according to customer's specifications. Tejarat Khani Najaf Ali Rezai & Sons (exporter, importer, wholesaler), Serai Qomandan, Herat.

Pistachios, shelled or open-mouth unshelled. Haji Ghulam Siddiq Heravi (importer, exporter, wholesaler, retailer), Serai Qomandan, Herat. WTD 10/68.

Open-mouth Afghan pistachios, shelled/unshelled. Habibullah Nurzai Trading House (importer, exporter, wholesaler), Serai Nurzai, Darwazi Kosh, Herat. WTD 10/68.

Afghan pistachio nuts packed in accordance with customer's requirements. H. Ghulam Farooq Behboodzada (importer, exporter, wholesaler, retailer), Serai Qomandan, Herat. WTD 10/68.

203 Canning, preserving foods

AFGHANISTAN—Afghan raisins packaged in 12½-kilo cartons or according to customer's specifications. Samples sent on request. The Afghan Fruit Processing Co. Ltd. (fruit processors), Pashtoon Market, Kabul. WTD 10/68.

209 Food preparations

IRAN—Tea products as follows: GFOP-GFBOP-FBOPF-OP 1-2, Faning 1-2. Iranian Economic Mission, 2233 Wisconsin Ave., NW., Washington, D.C. 20007.

227 Floor covering mills, products

AFGHANISTAN—Afghan carpets of all sizes, colors, designs. Habibullah Nurzai Trading House (importer, exporter, wholesaler), Serai Nurzai, Darwazi Kosh, Herat. WTD 10/68.

Afghan carpets. Afghan Wool Export Co. (exporter, importer, wholesaler), Jade Andarabi, Kabul. WTD 10/68.

229 Textile goods

AFGHANISTAN—Scouring wool. H. Ghulam Farooq Behboodzada (importer, exporter, wholesaler, retailer), Serai Qomandan, Herat. WTD 10/68.

Scouring wool, brown, yellow, beige colors. Tejarat Khani Najaf Ali Rezai & Sons (exporter, importer, wholesaler), Serai Qomandan, Herat. WTD 10/68.

306 Fabricated rubber products

NIGERIA—Rubber sheets, rubber crepe. The New Africa Industries Ltd. (manufacturer), 33 Ogedegbe St., P.O. Box 244, Warri. WTD 8/68.

382 Instruments for measuring, controlling, indicating physical characteristics

FRANCE—Dew-point analyzers (including industrial and semi-industrial instruments); hygrometers, dew-point, other types; portable, and semi-industrial, including electrolytic instruments; electric transmitters (temperature; differential temperature; pressure types). Descriptive, illustrated leaflets in French available on loan from Trade Opportunities Staff, BDSA-541, U.S. Department of Commerce, Rm. 4053, Washington, D.C. 20230. Aqmel Electronique et Mecanique d'Aquitaine (manufacturer, exporter), 2 Chemin de Billiere; 64-Pau-Billiere, Basses-Pyrenees. WTD 10/68.

399 Manufacturing industries

AFGHANISTAN—Cashmere wool; brown, yellow, beige. Haji Chulam Siddiq Heravi (importer, exporter, wholesaler, retailer), Serai Qomandan, Herat. WTD 10/68.

Cashmere wool. Habibullah Nurzai Trading House (importer, exporter, wholesaler), Serai Nurzai, Darwazi Kosh, Herat. WTD 10/68.

Late Leads—Information received too late to be of value to bidders is published because many readers will find it of value in follow-up campaigns to sell complementary products and subsidiary services. Sometimes a cable to an agent on the scene will result in tie-in sales.

Korea announces plans to buy scientific equipment

Korea is offering a tender for various types of scientific equipment including a fermentor-driven assembly; refrigerated centrifuge; inspection gauges; compressor; inkometer; Korean and English character-type teletypewriters; spectrophotography system; spectral analysis system; color densitometer; gloss and color difference meters; film gauge; etc.

The bid deadline is Nov. 28 and the tender number is SLC-8162-P. Bids should be submitted to the Office of Supply, Government of the Republic of Korea, Seoul, Korea. Specifications are available on a loan basis from the Scientific and Business Equipment Division, BDSA-653, U.S. Department of Commerce, Washington, D.C. 20230.★ Telephone: 202-967-2939.

Future Construction

For maximum assistance to those interested in overseas construction projects, U.S. Foreign Service officers report them as soon as possible, often in early planning stages. Some may not reach completion as originally proposed. In such cases additional information is published as it is obtained.

FINLAND—A decision to build a **285-room hotel in downtown Helsinki** was jointly announced recently by Finnair President Gunnar Korhonen and John B. Gates, Chairman of the Board, Intercontinental Hotels. Estimated to be completed in early 1971, the hotel will be managed as part of the Intercontinental Hotels, Pan Am Building, 200 Park Ave., New York, N.Y. 10017.

The total cost of about $6.2 million is to be financed from a long-term loan from a West German bank (60%) and from equity capital. Where possible, construction materials and interior furnishings will be Finnish, consistent with technical and competitive price requirements.

GREECE—The Greek Embassy, 2211 Mass. Ave., NW., Washington, D.C., Telephone DE 2-2844, **has announced the following projects:**

a) A project for the use of nuclear energy in power production. International tenders will be invited in the spring of 1969, for the establishment of a nuclear power unit which will become operational in the fall of 1974; b) continued construction work on projects underway for power generation and transmission in the Kastraki Hydroelectric Project, 8th Unit for the St. George's Bay Steam Electric Station, 4th Unit, for the Aliveri, S.E.S., Megalopolis Project; c) continued engineering surveys and preliminary work on various other projects, such as the Pournarion Hydroelectric Project (Arachthos River), Polyphyton Hydroelectric Project (Aliakmon River), Lavrion Steam Electric Station.

The Minister of Public Works, Mr. C. Papadimitriou, approved the call for tenders concerning anti-flood works to be carried out in the former Athens Metropolitan area. The sum of 72 million drachmae has been allocated for this project (30 drachmae = $1).

MALAYSIA—A 1000-acre area east of Lumut (State of Perak) would be an ideal place for **a large port,** according to a report prepared by a United Nations expert.

Ships call regularly at Lumut to transport cement and flour to other Southeast Asian countries. About 100,000 tons of cement was exported in 1967 to Cambodia, Vietnam, Indonesia, Sabah and Sarawak. Flour from Australia and Canada was also imported into Malaysia through Lumut. Lumut has been used by large ocean-going cargo ships for shipping iron-ore to Japan since 1957. It is believed that the Central Government will agree to the U.N. proposal.

PAKISTAN—A 4,500-ft. aircraft landing strip will be built near the Tarbela Dam site in Hazara District and completed by mid-1969, according to press reports. The strip has been redesigned at the request of Pakistan International Airlines to accommodate Fokker F-27 "Friendship" airliners and will cost approximately $700,000, it was stated.

The new airstrip is intended to service the construction site of the $600 million Tarbela Dam on the Indus River, last of the major works in the World Bank sponsored Indus Waters replacement scheme. The exact location of the airstrip relative to the dam site is not known.

New Books and Reports

***Overseas Business Reports.* U.S. Department of Commerce. Washington, D.C. 1968. $16 per year ($5 additional for overseas mailing), 15 cents per copy.**

Overseas Business Reports on foreign trade regulations contain information on trade policy, import tariff systems, sales and other internal taxes, shipping documents, labeling and marking requirements, special customs provisions, nontariff import controls, export controls, U.S. controls and government representation.

The following reports have recently been released:

Foreign Trade Regulations of Uruguay. OBR 68-79. 8pp.

Foreign Trade Regulations of the Malagasy Republic. OBR 68-82. 9pp.

Foreign Trade Regulations of the United Kingdom. OBR 68-83. 8pp.

Foreign Trade Regulations of Spain. OBR 68-85. 9pp.

Foreign Trade Regulations of Yugoslavia. OBR 68-89. 9pp.

Foreign Trade Regulations of Burma. OBR 68-92. 11pp.

Write: Any Department of Commerce Field Office or Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

***Decimal Currency Board—First Annual Report.* Her Majesty's Stationery Office, London. 1968. 30pp. $1.10.**

This report reviews the activities of the Board during the first year of the United Kingdom's transition to a new currency and coinage. The report includes descriptions of the Board's general approach, its recommendations, its work on machine problems and compensation, and its publicity work.

Write: British Information Services, 845 Third Ave., New York, N.Y. 10022.

***Stores of the World Directory.* Fifth Revised Edition. Published by Newman Books. London. 1968. 728pp. $25.20.**

More than 6,000 major retail firms and organizations comprising department stores, self-service and chain stores, supermarkets, cooperative societies, voluntary chains and international buying groups are listed. This expanded directory, a listing of export trade opportunities for consumer goods, now includes many more large stores and the names of their buyers, plus an increased number of retail outlets such as specialty stores, in more than 100 countries.

A section is devoted to British, European and U.S. buying agents, giving full breakdown of the firms for which they purchase merchandise and equipment. A glossary of all terms used in the directory is printed in English, French, German and Spanish.

Write: Newman Books Ltd., 68 Welbeck St., London, W.1, England.

Three special reports

The Economist Intelligence Unit of London has published the following three *Quarterly Economic Review Specials,* priced at $7.80 apiece:

The Crisis in Latin America Integration—Deals with economic integration in Latin America in the context of a possible breakdown of the Montevideo Treaty.

Trade with Eastern Europe and the USSR—This report provides a new appraisal of trade prospects in the period up to 1970 when the current five year plans end.

The Economic Effects of the Vietnamese War in East and South East Asia—Analyzes economic effects of the war against the overall social and political background, and assesses the economic adjustments which would be needed if a settlement were reached.

Write: The Economist Intelligence Unit Ltd., 60 East 42nd St., New York, N.Y. 10017.

***Chemical Guide to GATT, the Kennedy Round, and International Trade 1968.* By Yale Meltzer. Noyes Development Corp., Park Ridge, N.J. 365pp. $20.**

This book is intended to help U.S. chemical firms evaluate how GATT and the Kennedy Round will affect the future of their industry. It is designed to guide the reader through the intricate labyrinth of intertwining issues connected with the Kennedy Round, the proposed Special Drawing Rights plan of the International Monetary Fund, and devaluation of the British pound.

These issues cover a vast array of practical R&D, technological, manufacturing, marketing, exporting, importing, financial, corporate, legislative, legal, monetary, fiscal and political problems. It is the purpose of this book to point out what these issues are, where the areas of controversy exist, who the adversaries in the controversies are and what possible future developments can be expected.

Write: Noyes Development Corp., Noyes Bldg., Park Ridge, N.J. 17656.

***World Directory of Freight Conferences.* Published by Croner Publications, Inc. London. 1968. $15.**

The price of this loose-leaf book includes a monthly amendment service. More than 350 freight conferences operating outwards from the United States, Great Britain and all countries of the world are listed. Titles, areas covered, terms, rebate periods, secretaries' names and addresses, and list of members are given for each one.

Conferences are indexed by country, so that shipping services from any part of the world to any other part can be readily located.

Write: Croner Publications, 211-03 Jamaica Ave., Queens Village, N.Y. 11428.

***The Information You Need When Planning A Business in the Netherlands.* 1968 edition. Published by Algemene Bank Nederland. Amsterdam. 1968. 24pp. Free.**

This is a concise summary in English of information pertinent to firms interested in locating in the Netherlands. It contains chapters on taxes, insurance, labor, foreign exchange regulations, local financing of new enterprises, customs duties, export financing and credit insurance, commercial law, the Netherlands role in Benelux and European Economic Community.

Included is a map showing industrial sites available in the Netherlands.

Write: Algemene Bank Nederland N.V., Vijzelstraat 32, Amsterdam, the Netherlands.

☆ U. S. GOVERNMENT PRINTING OFFICE 1968—341-937/19

Calendar *for international traders*

ATLANTA—Dec. 5—In-Office Export Conference, Commerce Field Office, 10 a.m.

ATLANTA—Dec. 19—In-Office Export Conference, Commerce Field Office, 10 a.m.

CHICAGO—Dec. 4—In-Office Meeting, Chicago Field Office.

CHICAGO—Dec. 10—Automotive Exporters' Club of Chicago, Builders Bldg.

CHICAGO—Dec. 10-11—"The Export Game—Anyone Can Play," Furniture Club. Sponsor: Chicago Assn. of Commerce & Industry.

CHICAGO—Dec. 12—International Trade Club, LaSalle Hotel, 12:15 p.m.

CHICAGO—Dec. 12—East-West Trade Seminar, LaSalle Hotel, 2:15 p.m. Sponsor: International Trade Club of Chicago.

CINCINNATI—Dec. 4—Fifth of 7 weekly lectures in Export Workshop Course, "Organizing for Export—Pricing and Handling Your Own Order," Rm. 233, University Center, U. of Cincinnati, 7-9:30 p.m. Sponsors: U. of Cincinnati, Commerce Field Office, REEC, World Trade Club of Cincinnati.

CINCINNATI—Dec. 11—Sixth of 7 weekly lectures in Export Workshop Course, "Transportation, Insurance and Packaging," Rm. 233, University Center, U. of Cincinnati, 7-9:30 p.m. Sponsors: U. of Cincinnati, Commerce Field Office, REEC, World Trade Club of Cincinnati.

CLEVELAND—Dec. 5—International Trade Luncheon Meeting, American Room, Mid-Day Club, Union Commerce Bldg., 12 noon. Sponsor: Cleveland World Trade Assn.

CLEVELAND—Jan. 2—International Trade Luncheon Meeting, American Room, Mid-Day Club, Union Commerce Bldg., 12 noon. Sponsor: Cleveland World Trade Assn.

DETROIT—Nov. 26—Export Marketing Workshop, Commerce Field Office, 9:30 a.m. Sponsors: Commerce Field Office, REEC.

Calendar deadline

Information for publication must be received three weeks before the date of the announced event. Include time, place, sponsoring organization and special topic, if applicable. Meetings must be open to the public in order to be publicized in this space. **Write:**

Managing Editor,
International Commerce
BIC-204
U.S. Department of Commerce
Washington, D.C. 20230.

ELKHART, Ind.—Nov. 26—Meeting on the Importance of International Trade, Kiwanis Club.

KANSAS CITY—Nov. 26—In-Office Workshop for Exporters, Federal Office Bldg., 2-4 p.m. Sponsors: Commerce Field Office, REEC.

KANSAS CITY—Dec. 12—In-Office Workshop for Exporters, Federal Office Bldg., 2-4 p.m. Sponsors: Commerce Field Office, REEC.

LITTLE ROCK, Ark.—Dec. 3—Export Workshop, Chamber of Commerce. Sponsors: Commerce Memphis Field Office, REEC, Chamber of Commerce.

LOS ANGELES—Nov. 27—Businessmen's Consultation, William V. Turnage, assistant to the U.S. Ambassador, Montevideo. Sponsor: Commerce Field Office.

MEMPHIS—Dec. 11—Export Forum on the Kennedy Round, Sheraton-Peabody Hotel. Speaker: **Allen Garland, director, Trade & Commercial Policy Div., Commerce Dept.** Sponsors: Commerce Field Office, Mid-South Exporters' Roundtable.

MEMPHIS—Dec. 17—Memphis World Trade Club, Sheraton Motor Inn.

MUSKEGON, Mich.—Nov. 26—Western Michigan World Trade Club monthly meeting.

NEW YORK—Dec. 17—International Executives Assn. luncheon, Hotel Statler Hilton.

N. LITTLE ROCK, Ark.—Dec. 3—Export Workshop, Chamber of Commerce. Sponsors: Commerce Field Office, REEC, Chamber of Commerce.

PHILADELPHIA—Nov. 26—Northeast Philadelphia Export Luncheon, Torresdale-Frankford Country Club, 12 noon. Sponsors: Commerce Field Office, Chamber of Commerce, Philadelphia Electric Co.

ST. LOUIS—Nov. 25—Businessmen's Consultation, William V. Turnage, assistant to U.S. Ambassador, Montevideo. Sponsor: Commerce Field Office.

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